

HOUSE OF REPRESENTATIVES—Tuesday, May 14, 1985

The House met at 12 o'clock noon.
The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

In a world of darkness, we pray, O God, for light. We pray for light to illumine all evil in our world that it might be corrected; we pray for light to shine upon the hearts of people everywhere that we will find the paths of peace; we pray for light in our deliberations that we will serve the common good; we pray for light for those less fortunate than we that mercy and justice will be the blessings for every person and the gifts of grace our heritage. In Your name, we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. SLAUGHTER. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. SLAUGHTER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 246, nays 156, answered "present" 1, not voting 31, as follows:

(Roll No. 108)

YEAS—246

Ackerman	Boggs	Callahan
Akaka	Boland	Carper
Alexander	Boner (TN)	Carr
Anderson	Bonior (MI)	Chappell
Andrews	Bonker	Coleman (TX)
Annunzio	Borski	Collins
Anthony	Bosco	Conyers
Archer	Boucher	Cooper
Aspin	Boxer	Coyne
Atkins	Breaux	Craig
Barnard	Brooks	Crockett
Barnes	Broomfield	Daniel
Bateman	Brown (CA)	Darden
Bates	Broyhill	Daschle
Bedell	Bruce	de la Garza
Beilenson	Bryant	Dellums
Bennett	Burton (CA)	Dicks
Berman	Bustamante	Donnelly
Bevill	Byron	Dorgan (ND)

Downey	Lantos	Rose
Duncan	Leath (TX)	Rostenkowski
Dwyer	Lehman (CA)	Roukema
Dyson	Lehman (FL)	Rowland (GA)
Early	Leland	Roybal
Eckart (OH)	Levin (MI)	Rudd
Edgar	Levine (CA)	Russo
Edwards (CA)	Lipinski	Sabo
Erdreich	Lloyd	Savage
Fascell	Long	Scheuer
Fazio	Lowry (WA)	Schumer
Feighan	Lukens	Sharp
Flippo	Lundine	Shelby
Florio	MacKay	Sisisky
Foglietta	Manton	Skelton
Foley	Markey	Slatery
Ford (TN)	Martinez	Smith (FL)
Fowler	Matsui	Smith (IA)
Frank	Mavroules	Smith (NE)
Frost	Mazzoli	Snowe
Fuqua	McCain	Solarz
Garcia	McCloskey	Spence
Gaydos	McCurdy	Spratt
Gejdenson	McHugh	St Germain
Gibbons	Mica	Staggers
Glickman	Michel	Stallings
Gonzalez	Mikulski	Stark
Gordon	Miller (CA)	Stokes
Gradison	Mineta	Stratton
Gray (IL)	Moakley	Studds
Gray (PA)	Mollohan	Swift
Guarini	Montgomery	Synar
Hall (OH)	Moody	Tauzin
Hall, Ralph	Moore	Thomas (GA)
Hamilton	Morrison (CT)	Torres
Hammerschmidt	Mrazek	Torricelli
Hatcher	Murtha	Towns
Hawkins	Myers	Trafigant
Hayes	Natcher	Traxler
Hefner	Neal	Udall
Heftel	Nelson	Valentine
Hertel	Nichols	Vento
Hopkins	Nowak	Visclosky
Horton	Oakar	Volkmmer
Howard	Obey	Walgren
Hoyer	Olin	Watkins
Hubbard	Ortiz	Waxman
Hughes	Owens	Weaver
Hutto	Panetta	Weiss
Jenkins	Pease	Wheat
Johnson	Pepper	Whitley
Jones (NC)	Perkins	Williams
Jones (OK)	Petri	Wilson
Jones (TN)	Pickle	Wirth
Kanjorski	Price	Wise
Kaptur	Rangel	Wolpe
Kastenmeier	Regula	Wortley
Kennelly	Reid	Wright
Kildee	Richardson	Wyden
Kleczka	Rinaldo	Wyllie
Kolter	Robinson	Yates
Kostmayer	Rodino	Yatron
LaFalce	Roe	Young (MO)

NAYS—156

Armey	Coble	Evans (IA)
Badham	Coleman (MO)	Fawell
Bartlett	Combest	Fiedler
Barton	Conte	Fields
Bereuter	Coughlin	Fish
Billirakis	Courter	Franklin
Bliley	Crane	Gallo
Boehlert	Dannemeyer	Gekas
Boulter	Daub	Gilman
Brown (CO)	Davis	Gingrich
Burton (IN)	Delay	Goodling
Campbell	Derrick	Green
Carney	DeWine	Gregg
Chandler	Dickinson	Grothberg
Chapple	DioGuardi	Gunderson
Cheney	Dornan (CA)	Hansen
Clay	Dreier	Hartnett
Clinger	Durbin	Hendon
Coats	Eckert (NY)	Henry
Cobey	Emerson	Hiler

Hillis	McEwen	Schuetz
Hunter	McGrath	Schulze
Hyde	McKernan	Sensenbrenner
Ireland	McKinney	Shaw
Jacobs	McMillan	Shumway
Jeffords	Meyers	Shuster
Kasich	Miller (OH)	Sikorski
Kemp	Miller (WA)	Siljander
Kindness	Mitchell	Skeen
Kolbe	Molinari	Slaughter
Kramer	Monson	Smith (NH)
Lagomarsino	Moorhead	Smith (NJ)
Latta	Morrison (WA)	Smith, Denny
Leach (IA)	Murphy	Smith, Robert
Lent	Nielson	Stangeland
Lewis (CA)	Oxley	Stenholm
Lewis (FL)	Packard	Strang
Lightfoot	Parris	Stump
Livingston	Penny	Sundquist
Loeffler	Porter	Sweeney
Lott	Pursell	Swindall
Lowery (CA)	Quillen	Tauke
Lujan	Ridge	Taylor
Lungren	Ritter	Thomas (CA)
Mack	Roemer	Vucanovich
Madigan	Rogers	Walker
Marlenee	Roth	Weber
Martin (IL)	Rowland (CT)	Whitehurst
Martin (NY)	Saxton	Wolf
McCandless	Schaefer	Young (AK)
McCollum	Schneider	Young (FL)
McDade	Schroeder	Zschau

ANSWERED "PRESENT"—1

Dymally

NOT VOTING—31

Addabbo	Evans (IL)	Ray
Applegate	Ford (MI)	Roberts
AuCoin	Frenzel	Seiberling
Bentley	Gephardt	Snyder
Biaggi	Hall, Sam	Solomon
Coelho	Holt	Tallon
Dingell	Huckaby	Vander Jagt
Dixon	O'Brien	Whittaker
Dowdy	Oberstar	Whitten
Edwards (OK)	Pashayan	
English	Rahall	

□ 1220

So the Journal was approved.
The result of the vote was announced as above recorded.

APPOINTMENT AS ADDITIONAL MEMBER OF TECHNOLOGY ASSESSMENT BOARD

The SPEAKER. Pursuant to the provisions of section 4(a), Public Law 92-484, the Chair appoints the gentleman from Tennessee [Mr. SUNDQUIST] as an additional member of the Technology Assessment Board.

APPOINTMENT AS MEMBERS OF COMMISSION ON THE UKRAINE FAMINE

The SPEAKER. Pursuant to section 136, Public Law 98-473, the Chair appoints as members of the Commission on the Ukraine Famine the following minority members on the part of the House:

Mr. BROOMFIELD of Michigan, and
Mr. GILMAN of New York.

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

APPOINTMENT AS ADDITIONAL MEMBER OF COMMISSION ON SECURITY AND COOPERATION IN EUROPE

The SPEAKER. Pursuant to the provisions of section 3, Public Law 94-304, as amended by section 1, Public Law 99-7, the Chair appoints the gentleman from New Jersey [Mr. SMITH] as an additional member of the Commission on Security and Cooperation in Europe.

PERMISSION FOR COMMITTEE ON ARMED SERVICES TO HAVE UNTIL MIDNIGHT, WEDNESDAY, MAY 15, 1985, TO FILE REPORT ON H.R. 1409

Mr. PRICE. Mr. Speaker, I ask unanimous consent that the Committee on Armed Services have until midnight, Wednesday, May 15, 1985, to file a report on H.R. 1409, the fiscal year 1986 military construction bill.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

PERMISSION FOR COMMITTEE ON ARMED SERVICES TO SIT TODAY DURING 5-MINUTE RULE

Mr. PRICE. Mr. Speaker, I ask unanimous consent that the Committee on Armed Services be allowed to sit today during any proceedings under the 5-minute rule.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

PRESIDENT URGED TO APPOINT BOARD MEMBERS OF U.S. INSTITUTE OF PEACE

(Mr. GLICKMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GLICKMAN. Mr. Speaker, last year this Congress, with bipartisan help, authorized and appropriated funds for a new institution to promote the study of nonviolent conflict resolution, the U.S. Institute of Peace. By April 20, 1985, the President, who is to appoint the members of the Board, was to have submitted his names to the Senate for confirmation. He has not done so and is in technical violation of the law.

I would urge my colleagues to sign the "Dear Colleague" letter I am circulating through Friday which urges the President to comply with the law and submit his appointments forthwith. Over half this fiscal year is over, and this Institute, with a 2-year duration, has not even begun its activities. I urge my colleagues to sign my letter to the President so that the Institute of Peace can become a reality.

AGRICULTURAL TRADE ENHANCEMENT ACT OF 1985

(Mrs. SMITH of Nebraska asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SMITH of Nebraska. Mr. Speaker, today I am introducing the Agricultural Trade Enhancement Act of 1985.

In light of the European Economic Community's intransigence in recent discussions with President Reagan and their reluctance to conduct fair trade of agricultural commodities, it is necessary for the United States to take positive action both to initiate new multilateral trade negotiations and to develop new agricultural export programs. These measures must include export commodity bonus and intermediate export credit programs in order to both increase our farm exports and bring the Europeans to the negotiating table to discuss freer trade of agricultural products.

My bill addresses both of these key areas, calling for a new round of trade talks and authorizing these major new export promotion programs.

Also under this act, an Agricultural Trade Committee would be formed to identify unfair trade practices and recommend, within 6 months of the bill's enactment, concrete ways to eliminate or mitigate such practices.

This country cannot sit by while our export market share continues to dwindle. An estimated 1.1 million full-time jobs are related to the production, processing, and transportation of U.S. agricultural exports. Moreover, the overall U.S. trade deficit is expected to reach \$140 billion this year. Farm exports, on the other hand, contributed a positive \$112 billion to the balance of trade over the last 5 years.

Decisive action is needed now to challenge the forces that are steadily eroding our market share. By using our surplus commodities to move our grain overseas, we will bring the Europeans to the bargaining table to discuss freer trade for U.S. agricultural products. I urge my colleagues to join in cosponsoring this measure.

THE FEDERAL DEFICIT

(Mr. McKINNEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McKINNEY. Mr. Speaker, today, 13 cents of every Federal dollar is used for debt service. That is over \$360 million a day. If spending continues at this rate, just 4 years later, it will take one-fifth of every Federal tax dollar to in fact pay for the deficit.

This is no reason to use the deficit problems as a crutch or an excuse to destroy the Federal Government. I would advise all of my friends to take a very careful look at the 92d group

budget which treats the entire spectrum of Federal spending fairly, which does not use the Federal deficit as an excuse to eliminate the Government itself, and I think it deserves every Member's fair attention.

THE ECONOMIC EQUITY ACT

(Mr. MINETA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MINETA. Mr. Speaker, I rise to speak in strong support of H.R. 2472, the 1985 Economic Equity Act. I am proud to be an original cosponsor of this most important and historic legislation that will help ensure economic equity to all women.

The act embodies the conviction that discriminating against individuals because of their sex is just as unacceptable and inequitable as discriminating on the basis of color, ethnic heritage, or religious beliefs.

In the last Congress, we were successful in enacting five provisions of the 1983 Economic Equity Act. This legislation has provided a beachhead in the fight for economic equity for women. H.R. 2472 seeks to extend this process and provide true equity for all. I look forward to working with my colleagues for passage of this important legislation, the Economic Equity Act.

AN ABUSE OF POWER

(Mr. GUNDERSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GUNDERSON. Mr. Speaker, this is week No. 2.

It was 2 weeks ago that the House of Representatives completed one of the greatest abuses of power in the history of this institution. In considering the disputed election in Indiana's Eighth District, we chose to throw out Indiana State law. We chose to set up our own rules for counting. And then, on a 2-to-1 partisan basis, handled those most controversial decisions of which ballots to count and not to count. Yes, one could say that only when enough ballots were counted to give Mr. McCloskey the victory did we stop counting. And as we all know, the Evansville Courier has since reported that had we counted the other absentee ballots, Mr. McIntyre would have won.

The purpose of this 1 minute and those that will follow each week is not to pick on Mr. McCloskey. No. I just don't want this House, or the American public to forget the wrong we did. Justice was denied to Mr. McIntyre and the people of Indiana's Eighth District. Let us not forget.

INTRODUCTION OF THE ECONOMIC EQUITY ACT OF 1985

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, I am proud to announce the introduction of the Economic Equity Act of 1985. As cochairs of the congressional caucus for women's issues, I and Representative OLYMPIA SNOWE introduced the bill yesterday with 79 original cosponsors.

The economic role of women in American society is changing. Our public policy does not reflect this. It is geared toward the Norman Rockwell myth, not the 1980's reality. The Economic Equity Act tries to bring public policy in line with American women.

The Economic Equity Act of 1985 strikes a balance on many levels. It balances the needs of older women and younger women, wage earners and homemakers. It serves single heads of household as well as businesswomen. Women from all walks of life can look at the Equity Act for means to improve their economic condition.

THE BIRD OF STATE HAS RUFFLED FEATHERS

□ 1230

(Mr. BROOMFIELD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BROOMFIELD. Mr. Speaker, I am amazed that the Department of State is upset with my amendment to the State Department authorization bill. As my colleagues remember, I suggested that if the Soviets leadership did not apologize for the killing of Major Nicholson, the Soviet Ambassador should be asked to leave our country.

While I fully respect the finer points of diplomacy, I also know when enough is enough. You don't have to be a diplomat to know when you are having the wool pulled over your eyes. The Soviets took the life of Major Nicholson and have never formally apologized for that tragic and senseless murder. Our Government must do something to show our displeasure with the brutality of this act of the Kremlin.

I realize that the State Department's approach is different from mine. I assume that they would prefer to show our displeasure with Soviet actions by giving Ambassador Dobrynin one less cookie at the next diplomatic reception.

I don't believe in the State Department's policy of turning the other cheek in response to a Soviet act of brutality. History has shown that in dealing with the Russian bear, those who turned their cheek often lost their heads.

PERMISSION FOR SUBCOMMITTEE ON INVESTIGATIONS AND OVERSIGHT OF THE COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION TO SIT TODAY AND TOMORROW DURING THE 5-MINUTE RULE

Mr. GRAY of Illinois. Mr. Speaker, I ask unanimous consent that the Subcommittee on Investigations and Oversight of the Committee on Public Works and Transportation be permitted to sit during the 5-minute rule in the House on Tuesday, May 14, 1985, and Wednesday, May 15, 1985.

The SPEAKER pro tempore (Mr. KILDEE). Is there objection to the request of the gentleman from Illinois? There was no objection.

PERMISSION FOR COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION TO SIT TOMORROW DURING 5-MINUTE RULE

Mr. GRAY of Illinois. Mr. Speaker, I ask unanimous consent that the Committee on Public Works and Transportation be permitted to sit during the 5-minute rule in the House on Wednesday, May 15, 1985.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois? There was no objection.

PERMISSION FOR SUBCOMMITTEE ON SURFACE TRANSPORTATION OF THE COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION TO SIT TOMORROW, MAY 15, 1985, AND THURSDAY, MAY 16, 1985, DURING 5-MINUTE RULE

Mr. GRAY of Illinois. Mr. Speaker, I ask unanimous consent that the Subcommittee on Surface Transportation of the Committee on Public Works and Transportation be permitted to sit during the 5-minute rule in the House on Wednesday, May 15, 1985, and Thursday, May 16, 1985.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois? There was no objection.

ECONOMIC EQUITY

(Mrs. KENNELLY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. KENNELLY. Mr. Speaker, the 1985 Economic Equity Act was introduced yesterday. With the strides we made in the last session toward economic equity for women, I'm sure some Members are asking themselves—why this bill? That's a fair question and it deserves a fair answer: Because, when the tax system discriminates against female-headed

households although they have five times the poverty rate of married couples, a fair answer is tax reform.

Because, when more than half the women with preschool children are employed a fair answer is dependable, responsible day care.

Because, when the work patterns of women are different than those of men, a fair answer is a pension system that doesn't discriminate against those differences.

Because, when many women college graduates make about the same as men who have not finished high school, and when women high school graduates earn less than men who have completed the eighth grade, a fair answer is pay equity.

Mr. Speaker, the economic needs of America's women deserve a fair answer. This bill will give them just that.

LEGISLATION FOR REAPPORTIONMENT OF CONGRESSIONAL TERMS OF SERVICE

(Mr. DURBIN asked and was given permission to address the House for 1 minute.)

Mr. DURBIN. Mr. Speaker, it has been 80 years since the House of Representatives voted on a resolution addressing a change in the length of terms for Members of Congress. I will soon be introducing a resolution for a constitutional amendment, calling on Members of Congress to be elected to one 2-year term and two 4-year terms in every 10-year period following reapportionment.

In a recent survey, more than 60 percent of my colleagues who responded expressed their support for this concept. In town meetings across my district, the support for this approach has been consistent and overwhelming. I believe extending congressional terms makes sense for four reasons.

First, it will reduce the number of political campaigns, providing our voters with a welcome respite from our engaging rhetoric.

Second, it will help to stem the uncontrollable spiral in the cost of campaigning.

Third, it will at least partially liberate Members from a constant preoccupation with fund raising and campaigning, and will give Congress a greater opportunity to govern.

Fourth, the original rationale in 1789 for 2-year terms was to force Members to keep in touch with their districts. With today's modern communications and the realization that a Member who forgets his district will soon lose his seat, this rationale does not fit the modern challenges facing Congress.

I urge my colleagues to join me in cosponsoring this timely and necessary congressional reform.

THE DEINDUSTRIALIZATION OF AMERICA

(Mr. MOLLOHAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MOLLOHAN. Mr. Speaker, on the subject of international trade, it is time for the President to replace rhetoric with action.

For the last 4 years the President has labeled as "protectionists" those of us in Congress working for a reform of our outdated trade laws. He has told us to let the administration solve our trade difficulties.

Mr. Speaker, let's look at the success of the administration's trade program. Last week he returned from an economic summit in which he failed to initiate another round of trade talks that might ease our situation, and he returned to a Congress tired of empty promises. Other recent stories in the news:

Steel imports rose to 27 percent of our domestic market in the first 3 months of this year. The President's import restraint negotiations were supposed to limit this figure to about 20 percent.

Coal imports more than doubled from 1982 to 1983 and, barring corrective action, will be more than 10 times last year's level by 1990.

And, finally, today's Washington Post reports that April was a banner month—for the Japanese, who posted a record trade surplus of \$3.46 billion with the United States. April was a good month for the Japanese largely because the President declined to renegotiate limits on Japanese automobile imports.

Mr. Speaker, I don't want to pick on the Japanese. They are guilty of nothing more than being the most adept at exploiting the President's trade program, which seems to have as its goal the deindustrialization of America.

BOUNDARY EXTENSION OF THE UINTA NATIONAL FOREST

(Mr. NIELSON of Utah asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. NIELSON of Utah. Mr. Speaker, I am introducing legislation that would modify the boundary of the Uinta National Forest in the State of Utah. This will provide for more efficient management of certain lands which are part of the Bonneville unit of the Central Utah project. The Central Utah project has been managed by the Bureau of Reclamation. It provides enhanced recreational opportunities which can best be managed by the U.S. Forest Service.

In these times of fiscal restraint it is imperative to find the most efficient means of utilizing our resources. Both the Bureau of Reclamation and the

U.S. Forest Service agree that the Forest Service is best equipped to manage these lands for recreational purposes.

This boundary extension does not involve the purchasing of any private or State lands. It is simply a transfer of land from the Bureau of Reclamation to the U.S. Forest Service and the extension is necessary to enable the Forest Service to better manage the resources of the area and possibly facilitate future exchanges. The United States Forest Service plans to expand the fishing, boating, and camping opportunities available to the public and more fully utilize the recreational resources provided by this portion of the Bonneville unit of the Central Utah project.

The U.S. Forest Service is currently managing this land under a memorandum of understanding with the Bureau of Reclamation, contract No. 2-07-40-L3016. Under this agreement the Bureau of Reclamation has agreed to transfer funds to the U.S. Forest Service to cover the cost of management through fiscal year 1989. This legislation would permit this agreement to remain in effect and would facilitate better management of such lands under this agreement and within this act.

I wholeheartedly support this legislation and commend these two agencies for assisting in an attempt to provide expanded benefits to the taxpaying public in a more efficient, cost-saving manner.

□ 1240

CONGRATULATIONS TO NEWLY CROWNED MISS U.S.A., LAURA ELENA MARTINEZ HERRING

(Mr. COLEMAN of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COLEMAN of Texas. Mr. Speaker, my speech this morning cuts across all partisan lines. It is a subject on which all of us can agree. It gives me great pleasure to congratulate the newly crowned Miss U.S.A., Laura Elena Martinez Herring, of El Paso, TX. Laura was selected as Miss El Paso in 1983 and went on to be chosen Miss Texas-U.S.A. in 1984.

Last night, Laura was successful once again as she captured not only the title of Miss U.S.A., but the hearts of all Americans as well.

Laura Elena Martinez Herring is the first Hispanic and naturalized citizen to wear the Miss U.S.A. crown. Originally born in Los Moches, Sinaloa, Mexico, before becoming an American citizen, Laura's selection last evening exemplifies the validity of the American dream come true. As she so aptly stated to the assembled news media last night, "the people of the United States have no limitation." When

asked why she was proud to be an American, Laura responded, "because this is the land of freedom." Members, I suggest that says it all.

As a native El Pasoan, I see Laura's achievement as conferring a tremendous sense of pride and distinction on the city of El Paso and the State of Texas. Just as important, though, Laura's victory last night is a symbolic bridge which further strengthens the cultural bonds between the United States and Mexico. Today, the people of El Paso and Texas happily join with all Americans in being proudly represented by Laura at the Miss Universe pageant.

So that this body might express its true appreciation to Laura for the distinction she has brought to this Nation, I will be introducing legislation to express the sense of the House congratulating Laura on her selection as Miss U.S.A. I encourage my colleagues to join with me in this endeavor.

ECONOMIC EQUITY ACT

(Ms. SNOWE asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. SNOWE. Mr. Speaker, I am pleased to join the cochair of the congressional caucus on women's issues, the Congresswoman from Colorado [Mrs. SCHROEDER] and my other colleagues in the caucus as well in announcing the reintroduction of the Economic Equity Act. Since 1981, the Economic Equity Act has served as the primary vehicle for the consideration of legislation to guarantee economic fairness to women.

The package we have introduced this year represents a comprehensive, forward-looking approach to improving the economic health and well-being of American women and families. The five titles of this legislation—retirement security, dependent care, insurance, employment, and tax policy—provide a balance of short- and long-term strategies that touch the lives of virtually every woman in this country.

The Equity Act has established a proven track record over the past 4 years, which includes the enactment of legislation to reform the private pension system and strengthen child support enforcement laws. The two new titles on employment and tax policy included this year represent key areas of economic concern to women.

This Congress is again faced with a challenge of fairness to American women, and indeed, this legislation represents a step in that direction. I urge my colleagues to support this legislation.

GO AFTER THE CORPORATE CULPRITS

(Mr. ROBINSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROBINSON. Mr. Speaker, I rise in strong opposition today to the various proposals that are being bandied around in this House in reference to either eliminating or cutting the COLA's in our Social Security System.

Let me remind each of my colleagues that our senior citizens are not balls to be batted around at will in this House. The Social Security System is not a welfare system. Our senior citizens and our workers today have paid dearly through payroll taxes to be guaranteed a way of living once they retire.

I know my colleagues are well intended when they talk about the fact that we must do this to reduce the deficit. The truth of the matter is, if we really want to do something constructive, let us put a minimum corporate tax on our large corporations in this country. If we put a minimum 15 percent tax, the 65 largest corporations in this country would pay \$10.2 billion into the Treasury.

Leave our senior citizens alone and start picking on the real culprits, the corporate people in this country.

TO CUT THE DEFICIT: LET'S FREEZE ALL SPENDING

(Mr. PORTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PORTER. Mr. Speaker, these huge budget deficits are fiscal child abuse. We must cut them, sharply and quickly.

The best way to do this is a total freeze as my colleague from Minnesota, Congressman TIM PENNY, and I proposed today. A freeze on every program. On your favorite program. On my favorite program. We must also cut or eliminate programs that make no economic sense—or that are simply not important enough to the American people to warrant more deficit spending.

I hear support for a freeze every day, from defenders of all kinds of spending programs. The president of the National League of Cities recently said he would oppose cuts for the cities if the revenues saved went to the Pentagon. Otherwise, he would support these cuts.

"We are prepared to contribute an honest effort," he said. "But we want to make sure that every dollar cut from the cities is used for one—and only one—purpose: To cut the deficit."

I applaud the National League of Cities for this position. This shows how an across-the-board freeze, com-

bined with sensible and fair budget cuts, can bring these deficits down.

FREEDOM FROM FAMINE

(Mr. HILLIS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HILLIS. Mr. Speaker, I want to share with you and this House of Representatives a beautiful story about a group of young people from Wabash, IN, who cared enough to make a difference. Theirs is a story of compassion, hard work, and sacrifice. It is the story of a group of young people who knew tears were not enough. And the story ends happily with the sights and sounds of happy children as they gather eagerly around a meal given to them by the young people of Wabash High School, Wabash, IN.

In the last several weeks, four high schools in the Fifth District of Indiana participated in my "Freedom From Famine" drive for the starving millions in sub-Saharan Africa. The 580 students of Wabash High School led the way, contributing \$2,362.50 of the \$3,932.88 collected.

Under the direction of Miss Katherine Geible, the French Club and student council cosponsored the Wabash efforts. Students used a variety of fundraising techniques including a penny pitch at the final home basketball game, daily classroom collections and school organization donations. In addition, the students involved the Wabash community by placing collection jars in businesses all over town.

Interaction, the charitable organization which will turn the \$3,932.88 into live-sustaining food, estimates the efforts of Wabash, Kokomo, Taylor, and Hebron high schools will feed 2,420 people in starving African countries for an entire month.

My congratulations and heartfelt thanks to everyone who participated and helped to save a starving people.

SOCIAL SECURITY IS SELF-SUPPORTING RETIREMENT SYSTEM

(Mr. BRYANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BRYANT. Mr. Speaker, in the Democratic caucus this morning, we discussed the proposals of the Republican majority in the other body to cut Social Security by changing the cost-of-living adjustment schedule.

Those who defend Social Security, as well as those who want to change it, focus in these types of debates almost entirely on the current generation of elderly Americans who are recipients of Social Security checks. I rise, however, to make the point that Social Security is not just a program for the elderly, for the current generation of el-

derly Americans. It is a permanent retirement system for all Americans, for all generations, young and old. It is not welfare.

It is a retirement system that is supported by a system of payroll deductions and it is, therefore, self-supporting and it is not contributing to the budget deficit.

I think it is very important to make the point this morning that proposals to cut Social Security by amending the cost-of-living schedule so very far toward undercutting the fundamental conceptual foundation of the Social Security system, which is that Social Security is a self-supporting retirement system for all generations of Americans, no matter where they are situated on the economic spectrum, young as well as old.

□ 1250

UNDERWORLD MAY LOSE ITS FAVORITE MEDIUM OF EXCHANGE—THE \$100 BILL

(Mr. SCHULZE asked and was given permission to address the House for 1 minute.)

Mr. SCHULZE. Mr. Speaker, today, billions of dollars are involved in drug trafficking. One need only scan the front page of any newspaper to realize the phenomenal cash amounts involved. The figures are staggering. The illicit trafficking of drugs is estimated to be near \$110 billion and the most common medium of exchange is the \$100 bill.

In view of the underworld's reliance on the \$100 bill, and the difficulty law enforcement agencies are having in containing the drug business, I am today introducing legislation which directs the Secretary of the Treasury, in consultation with the Federal Reserve Board, to retire all U.S. \$100 notes, and further directs the Treasury to determine when these notes would cease to be legal tender.

This legislation is intended to immediately disrupt the dealings and money laundering tactics of drug traffickers. The violence and the phenomenally large amounts of cash involved in the illicit drug trade require that immediate measures be taken.

I urge your support of this measure.

OCS FUNDS COULD BE USED TO REDUCE DEFICIT

(Mr. BREAUX asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BREAUX. Mr. Speaker, for all of my colleagues who have been wrestling with the very difficult problem of trying to find nickels and dimes in order to reduce our Federal deficit by a goal of some \$50 billion or so, I would like to point out that there

exists right now here in Washington in an escrow account somewhere between \$6 billion and \$7 billion just sitting idly by. This money, which has accumulated since 1978 out of OCS oil and gas revenues, is not being used to reduce the deficit, nor is it being used to pay for new or existing programs, nor is it being used by any of our coastal States.

The simple problem is that because the Federal Government and the States have not been able to agree on what is a fair and equitable division of those funds, no one is getting them. I have offered legislation, H.R. 641, which would define "fair and equitable" to mean a 50-50 division of those sums, \$6 billion or \$7 billion, between the Federal Government and the coastal States.

Mr. Speaker, I think we should take this \$3 billion to \$3.5 billion out of Dave Stockman's shoe box and use it to reduce the deficit.

AN ALTERNATIVE BLUEPRINT FOR SPENDING REDUCTIONS

(Mr. RIDGE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RIDGE. Mr. Speaker, we have finally accepted our responsibility to bring Government spending under control and to reduce the enormous deficit which burdens present and future taxpayers. It is natural and understandable that special groups, constituencies for interests generally condemn the deficit but specifically plea for preservation of individual programs. This approach was uniquely explained by an older gentleman I recently met at a town meeting. He claimed most everyone was interested in going to heaven, but no one was particularly interested in dying to get there.

Any blueprint for a meaningful spending reduction must be fair and balanced and that's exactly the kind of budget alternative offered by the 92 group. I would like to commend this alternative to my colleagues. The budget plan, offers a \$51 billion deficit reduction in fiscal year 1986, and a reduction plan of nearly \$275 billion over the next 3 years. The blueprint for balance begins with a comprehensive freeze, including defense, and then distributes reductions among 75 programs. These reductions were needed without tax increases, and which preserving the cost-of-living adjustment for Social Security recipients. I encourage my colleagues to support this approach.

DOUBLING THE PERSONAL EXEMPTION—TAX FAIRNESS FOR FAMILIES

(Mr. COATS asked and was given permission to address the House for 1

minute and to revise and extend his remarks.)

Mr. COATS. Mr. Speaker, I would like to bring to the attention of my colleagues a very interesting development in the tax reform debate. Last Friday, a coalition of liberal and conservative organizations sent a letter to Treasury Secretary James Baker asking for an end to tax discrimination against families.

The more than 30 signers of this letter included Ralph Nader's Public Citizen, Paul Weyrich's National Pro-Family Coalition, Gov. Richard Lamm, who is chairman of the National Governor's Association Tax Policy Committee, and Phyllis Schlafly's Eagle Forum.

Specifically, the letter requested that the revised Treasury proposal retain certain provisions of the original Treasury plan which directly affect families. The letter expressed particular concern that the revised Treasury proposal retain the doubled personal exemption.

Mr. Speaker, I am very much encouraged by this development. Until this moment, I would not have thought there was any issue on which you could get these groups to sit down to a table together. But here they are together requesting of Secretary Baker, in their words, that the family provisions of Treasury I "not be sacrificed for the sake of preserving loopholes and preferences for businesses and corporations."

Not long ago, I introduced H.R. 1551, the Tax Fairness for Families Act, the purpose of which is to show solid, bipartisan support for doubling the personal exemption as a necessary part of any acceptable tax reform. And I hope that the same spirit which inspired the liberal and conservative groups to work together for the common goal of fairness to families will also inspire Members of this body to do likewise and become cosponsors of H.R. 1551.

I believe that Senator MOYNIHAN hit the nail on the head when he spoke recently before our Select Committee on Children, Youth, and Families, and explained why increasing the personal exemption is an issue for both Democrats and Republicans. By taxing families more equitably, he explained, "we would not so much be changing things as restoring what was once in place, remembering answers we once thought obvious."

THE ECONOMIC EQUITY ACT

(Mrs. BOGGS asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BOGGS. Mr. Speaker, two of the bills included in the Economic Equity Act, introduced on yesterday, would assist women business owners, the fastest growing segment of the

small business sector, who deserve our support.

One clarifies the application of the Equal Credit Opportunity Act to commercial credit. Although that 1974 law applied to both consumer and business transactions, certain implementing regulations by the Federal Reserve Board often prevent women and minorities from obtaining commercial credit.

The other would establish a National Commission on Women's Small Business Ownership. This nine-member bipartisan commission would review and evaluate the status of women business owners, make recommendations to Congress to improve financing and procurement opportunities, and examine the role of the Federal Government in promoting female entrepreneurs.

Mr. Speaker, I have discussed both bills with individual women business owners and associations of women's business owners, and they feel these bills will be most effective if enacted. I urge my colleagues' support of these and the other measures contained in the Economic Equity Act.

E.F. HUTTON'S CHECK-KITING SCHEME

(Mr. HUBBARD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUBBARD. Mr. Speaker, former Attorney General William French Smith and Robert Fomon, chairman of the board and chief executive officer of E.F. Hutton & Co., Inc., discussed at a luncheon last fall the Federal investigation that had been going on for over 3 years into the massive check-kiting operation run by E.F. Hutton's employees.

The U.S. Justice Department, in my opinion the most politically conscious and politically active agency of the Federal Government, allowed the well-connected E.F. Hutton to cop a guilty plea to 2,000 counts and pay \$2,700,000 in fines and costs. Of course, the politically motivated Justice Department is not prosecuting any of the individuals who managed the \$4.35 billion check-kiting scheme at 400 American banks.

Justice Department officials were quoted yesterday in The New York Times as saying their "plea bargain helped save America's banking system." What a joke.

Recently, the Justice Department indicted, convicted, and sent to jail a Washington, DC, woman for shoplifting four sweaters worth less than \$200.

Too bad this woman didn't have friends inside the Justice Department or didn't work at a big corporation as a cash management manipulator.

□ 1300

OMINOUS REPORTS ON TRADE BALANCE

(Mr. LUKEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LUKEN. Mr. Speaker, in the news in the past day or two there have been some ominous reports. I think they call for action on the part of our Federal Government.

The Japanese trade deficit has increased in April to \$3.46 billion. Automobile imports from Japan are now at the rate of \$2 billion, up 20 percent since last year.

On the other side of the coin, Japan says that it plans to spend \$100 billion in the next 5 years for its own defense, but that is only \$20 billion a year, 1 percent of its GNP.

On the contrary, the United States now spends, it is estimated, \$47 billion a year to defend East Asia, that is Japan and Korea. So, we are subsidizing Japan in many ways, including the trade deficit and defense outlays.

I am suggesting that it is time we do something about it. One way would be to tax Japanese imports in order to pay for the defense of Japan. In that way we would accomplish three things. We would reduce the U.S. military subsidy of Japan. We would reduce our own deficits without taxing the American people, and we would try to preserve a few of the remaining jobs in the United States.

IN COMMEMORATION OF V-J DAY

(Mr. STRATTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STRATTON. Mr. Speaker, over the past year we have been witnessing a number of ceremonies commemorating the Second World War. Last June Chairman MONTGOMERY led a delegation of Members to France to commemorate the 40th anniversary of the D-Day landing in Normandy and earlier this month the United States participated in ceremonies in Germany and in France to commemorate V-E Day, the end of the Second World War in Europe.

Unfortunately, these ceremonies were marked with a measure of controversy, although it appears they did generate renewed feelings of comradeship and reconciliation.

But, Mr. Speaker, let us not forget that millions of Americans in the course of the Second World War did not serve in the European Theater, but in the Pacific Theater and the real end of World War II did not come in Europe. It came on the 2d of September of 1945 aboard the U.S.S. *Missouri*, which incidentally is now refur-

bished and back in service, when General MacArthur accepted the Japanese surrender in Tokyo Bay.

I believe we should pay tribute to those brave soldiers, sailors, and marines who made that final victory possible and I urge that Congress and the executive branch get together on planning a suitable ceremony for V-J Day's 40th anniversary, September 2, 1985.

PRESIDENT REAGAN'S BROKEN PROMISES

(Mr. FRANK asked and was given permission to address the House for 1 minute.)

Mr. FRANK. Mr. Speaker, I just want to talk briefly about this pending Republican proposal to deny old people the cost of living increase they are legally entitled to.

It is one thing for President Reagan to tell the American people that he thinks it is more important to give military assistance to Marcos in the Philippines than to pay a cost-of-living increase to America's elderly; but it is even worse when this President made a solemn promise as a condition of getting votes and said, "I won't reduce the Social Security cost of living," among other things, and now blatantly breaks it.

The President when it came to taxes said, "I made a promise and if you try to break that promise, I will be Clint Eastwood."

Why with his promise to keep Social Security payments going on has he become the road runner?

When politicians make promises, and the President is one of us in that regard, and solicits votes on that basis, I think a solemn commitment has been made; so the President's preference for a bloated military budget over paying the cost of living is bad enough. It is compounded and confidence in our democratic system is eroded when the President of the United States makes a specific promise to the older people of America and then for reasons of convenience breaks it.

I hope that the House will not follow the example of the Republican leadership and help the President break that promise to America's elderly.

CANADA PASSES EQUAL RIGHTS AMENDMENT

(Mr. WHEAT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WHEAT. Mr. Speaker, I am distressed this morning that the United States, long the leading proponent of extending human rights throughout the world, must look northward for inspiration on the matter of equal rights

for women. The nation of Canada has passed an equal rights amendment.

Mr. Speaker, when I first came to this House I had the good fortune to vote on one, but unfortunately, it did not pass. Now to extend equal rights to all people in the United States, I join with my colleagues in sorrow, and in pride, and with hope in introducing the Women's Equity Act; in sorrow, because the legislation is still needed some 200 years after the ratification of the Constitution when it was made clear that all men are given the right for life, liberty, and the pursuit of happiness, a right for all men, but unfortunately, not for women; in pride that it is clear that the American people believe in the values of extending the rights to all people, and in hope, Mr. Speaker, that finally 200 years after the ratification of the Constitution these rights will be extended, not only to all men, but to our mothers, our sisters, and our daughters.

FURTHER EVIDENCE OF SANDINISTA SUPPORT FOR SALVADORAN GUERRILLAS

(Mr. LAGOMARSINO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LAGOMARSINO. Mr. Speaker, ever since the Sandinista regime took over the Government in Nicaragua, those of us critical of the Sandinistas have pointed to their support for the guerrillas in El Salvador as evidence of their intent to spread subversion and Marxist-Leninism in this hemisphere.

For 6 years, there has been evidence of arms going to the Salvadoran guerrillas from Nicaragua and Cuba and of the command and control for the Salvadoran guerrillas being directed from Managua. The House Intelligence Committee in May 1983 even made that finding, yet there are some in this House who continue to refuse to recognize the evidence that has been placed before them of Sandinista support for the Salvadoran guerrillas.

Now, we have further information supporting the charges against the Sandinistas. Former Salvadoran guerrilla leader Napoleon Romero, who turned himself in several weeks ago, said that the guerrillas in El Salvador receive more than 70 percent of their arms shipments from Nicaragua. He is reported to have said, "We need from 20,000 to 30,000 rounds of ammunition and some 5,000 sticks of TNT every month. All of that comes from Nicaragua." He also added: "In some cases, I know this ammunition comes in small boats that leave Chinandega [Nicaragua] and arrive in Usulután [El Salvador]." He concluded: "Seventy percent of all our arms, shipments, and supplies come from Nicaragua, and the

rest we buy on the black market or take from fallen government troops."

FIGHTING FIRES FROM SPACE

(Mr. NELSON of Florida asked and was given permission to address the House for 1 minute and to revise and extend his remarks.

Mr. NELSON of Florida. Mr. Speaker, today I would like to talk about one of the many ancillary benefits that have resulted from this country's space program.

Earlier this year, a fierce fire raged on one of the islands in the Galapagos chain threatening some of the world's rarest wildlife.

Due to the dense smoke and the constant presence of strong winds, firefighters were unable to contain the fire after more than 2 weeks of constant battling.

The Government of Ecuador turned to this country for help. We responded with our Landsat remote sensing satellite which was orbiting in a path 440 miles above the fire.

Despite the heavy shroud of smoke, infrared sensors on these satellites were able to pinpoint the hidden hot-spots driving the fires. This information enabled firefighters to set up strategic fire breaks which ultimately brought this potentially devastating blaze under control.

It is important to recognize that we are constantly discovering new and practical ways to put our space technology to work.

I think it is equally important to point out that this lifesaving application of the Landsat remote sensing system comes at a time when the future of Landsat is extremely tenuous. This is because the system is going to be transferred to the private sector and OMB refuses to release the startup funds necessary for the period of transition from Government to market-support operation.

□ 1310

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 1552

Mr. DENNY SMITH. Mr. Speaker, I ask unanimous consent that my name be removed from the list of cosponsors of H.R. 1552.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon?

There was no objection.

GEORGE MILLIGAN CONTROL TOWER

Mr. MINETA. Mr. Speaker, I ask unanimous consent that the Committee on Public Works and Transportation be discharged from further consideration of the Senate bill (S. 661) entitled the "George Milligan Control

Tower," and ask for its immediate consideration in the House.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mr. HAMMERSCHMIDT. Mr. Speaker, reserving the right to object, I do not plan to object, but I would like to yield to the very able chairman of the Subcommittee on Aviation of the Public Works and Transportation Committee, the gentleman from California [Mr. MINETA] for his explanation of his request.

Mr. MINETA. Mr. Speaker, I thank my distinguished colleague from Arkansas for yielding.

Mr. Speaker, the bill now before us, S. 661, would designate the air traffic control tower at Medford-Jackson County Airport in Oregon as the George Milligan control tower. This is to honor George Milligan who served the people of southern Oregon for many years with a nonprofit emergency air ambulance service. Mr. Milligan was recently killed in an airplane accident while transporting a patient for emergency medical care. Naming the control tower after Mr. Milligan is a fitting tribute to this fine man.

I urge my colleagues to join me in support of this measure.

Mr. HAMMERSCHMIDT. Mr. Speaker, I rise in support of S. 661, which would designate the air traffic control tower at the Medford-Jackson County Airport in Oregon as the George Milligan control tower.

George Milligan began his career in the southern Oregon area as a towerman for the old Civil Aeronautics Administration. While there, he saw a need for an air ambulance service to provide help to the many people who lived in areas that were inaccessible or hours away from any medical center by car. Starting with little more than an idea, and with great persistence, George managed to purchase a used Cessna and began the volunteer air ambulance service known as Mercy Flights. For more than 30 years Mercy Flights delivered relief to flood victims, brought accident victims to the hospital, and moved those needing specialized medical attention to locations where they could receive it. This past February George Milligan died on one of these mercy flights.

Mr. Speaker, S. 661 is a tribute to this fine American who gave so much of himself, and eventually his life, for the sake of others. I believe this bill deserves our full support and am proud to join my colleagues on the Public Works and Transportation Committee in urging its passage.

Mr. ROBERT F. SMITH. Mr. Speaker, will the gentleman yield?

Mr. HAMMERSCHMIDT. Further reserving the right to object, I yield to my colleague, the gentleman from Oregon.

Mr. ROBERT F. SMITH. Mr. Speaker, as the House considers S. 661, legislation to rename the air traffic control tower at the Medford (Oregon)/Jackson County Airport the George Milligan control tower, I rise in support of the bill.

Since 1949, when he founded Mercy Flights, a nonprofit air ambulance and emergency air service, George Milligan risked his life transporting the sick and injured from remote locations in northern California and southern Oregon to hospitals. On February 9, 1985, George Milligan gave his life when a Mercy Flight plane suffered mechanical failure and crashed on an approach to the Medford Airport, while transporting a patient for emergency medical service. Also killed in the tragic accident were a Medford physician, a paramedic, and Marjorie Olney, the patient.

It is true the efforts of one man can make a difference. When George Milligan came to Medford in 1949 as a Civil Aeronautics Administration towerman he soon realized the need for an air ambulance to serve the needs of those living in remote, wild places inaccessible by car and lengthy distances from medical facilities. Beginning with little but enthusiasm and concern for his fellow man, George created Mercy Flights to serve this need. We will never know how many lives George Milligan saved but he is missed by those he served and by his community. I know I miss George terribly.

In our own inadequate and unsatisfying way, we rename the control tower of the Medford/Jackson County Airport in George's memory. While it is fitting for us to do this, our act pales in comparison to the selfless dedication George demonstrated to his fellow man in time of need. Let the control tower be a constant reminder that we must strive to carry on the task so nobly advanced by George Milligan and his Mercy Flights.

● Mr. SNYDER. Mr. Speaker, I rise in support of S. 661 to designate the air traffic control tower at the Medford-Jackson County, OR, Airport as the George Milligan control tower.

Although I never had the pleasure of meeting George Milligan before his untimely death in February of this year, I have read with great interest and admiration of his contributions to the people of southern Oregon.

George Milligan was the founder of and driving forces behind Mercy Flights, a nonprofit air ambulance and emergency air service which through the years flew thousands of flights, transporting sick and injured patients to medical care facilities in the Northwest. Many of these flights were conducted under extremely adverse weather conditions, which combined with the hazardous terrain in the region, often made access by air a very

dangerous proposition. Nevertheless, George Milligan was determined to save lives in spite of the great personal risks, a goal he realized on countless occasions.

Tragically, George Milligan was killed when his aircraft suffered mechanical failure and crashed while on approach to the Medford-Jackson County Airport earlier this year. When he died, George Milligan was transporting a patient for emergency medical service as he had done so many times before.

Therefore, Mr. Speaker, I think it would be a fitting tribute to this great man that we designate the Medford, OR, tower as the George Milligan control tower.

For the foregoing reasons, I urge my colleagues to support S. 661.●

● Mr. HOWARD. Mr. Speaker, I rise in support of this legislation to name the air traffic control tower at Medford-Jackson County Airport after a true public servant, Mr. George Milligan. Mr. Milligan's emergency air ambulance service saved many lives and was an important facet of health care to the citizens of southern Oregon.

Mr. Speaker, this bill passed the Senate last month without objection. I urge my colleagues to adopt this measure to honor Mr. Milligan's selfless service to his fellow citizens.●

Mr. HAMMERSCHMIDT. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 661

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the air traffic control tower at the Medford-Jackson County Airport is designated and shall hereafter be known as the "George Milligan Control Tower". Any reference in a law, map, regulation, document, or other paper of the United States to such control tower shall be held and considered to refer to the "George Milligan Control Tower".

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MINETA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the Senate bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will postpone further proceedings today on the motion to suspend the rules if a recorded vote or the yeas and nays are ordered, or if the vote is objected to under clause 4 of rule XV.

Such rollcall vote, if postponed, will be taken after 3 p.m. today.

SOCIAL SECURITY MINOR AND TECHNICAL CHANGES ACT OF 1985

Mr. ROSTENKOWSKI. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2005) to amend title II of the Social Security Act and related provisions of law to make minor improvement and necessary technical changes, as amended.

The Clerk read as follows:

H.R. 2005

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Social Security Minor and Technical Changes Act of 1985".

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- Sec. 14. General effective date.

SEC. 2. DEMONSTRATION PROJECTS INVOLVING THE DISABILITY INSURANCE PROGRAM.

(a) EXTENSION OF WAIVER AUTHORITY.—Section 505(a)(3) of the Social Security Disability Amendments of 1980 is amended by inserting "which is initiated before June 10, 1990" after "demonstration project under paragraph (1)".

(b) INTERIM REPORTS.—Section 505(a)(4) of such Amendments is amended to read as follows:

"(4) On or before June 9, 1985, and on or before June 9 in each of the years 1986, 1987, 1988, and 1989, the Secretary shall submit to the Congress an interim report on the progress of the experiments and demonstration projects carried out under this subsection together with any related data and materials which the Secretary may consider appropriate."

(c) FINAL REPORT.—Section 505(c) of such Amendments is amended by striking out "under this section no later than five years after the date of the enactment of this Act" and inserting in lieu thereof "under subsection (a) no later than June 9, 1990".

(d) INCORPORATION OF CERTAIN REPORTS INTO SECRETARY'S ANNUAL REPORT TO CONGRESS.—Section 1110(b) of the Social Security Act is amended by adding at the end thereof the following new paragraph:

"(3) All reports of the Secretary with respect to projects carried out under this subsection shall be incorporated into the Secretary's annual report to the Congress required by section 704."

SECTION 3. DISABILITY ADVISORY COUNCIL.

(a) APPOINTMENT OF COUNCIL.—Within ninety days after the date of the enactment of this Act, the Secretary of Health and Human Services shall appoint a special Disability Advisory Council.

(b) MEMBERSHIP OF COUNCIL.—The Disability Advisory Council shall consist of a Chairman and not more than twelve other persons, appointed by the Secretary without regard to the provisions of title 5, United States Code, governing appointments in the competitive service. The appointed members shall, to the extent possible, represent organizations of employers and employees in equal numbers, medical and vocational experts from the public or private sector (or from both such sectors), organizations representing disabled people, and the public. The Council shall meet as often as may be necessary for the performance of its duties under this section, but not less often than quarterly.

(c) DUTIES OF COUNCIL.—(1) The Advisory Council shall conduct studies and make recommendations with respect to the medical and vocational aspects of disability under both title II and title XVI of the Social Security Act, including studies and recommendations relating to—

(A) the effectiveness of vocational rehabilitation programs for recipients of disability insurance benefits or supplemental security income benefits;

(B) the question of using specialists for completing medical and vocational evaluations at the State agency level in the disability determination process, including the question of requiring, in cases involving impairments other than mental impairments, that the medical portion of each case review (as well as any applicable assessment of residual functional capacity) be completed by an appropriate medical specialist employed by the appropriate State agency before any determination can be made with respect to the impairment involved;

(C) alternative approaches to work evaluation in the case of applicants for benefits based on disability and recipients of such benefits undergoing reviews of their cases, including immediate referral of any such applicant or recipient to a vocational rehabilitation agency for services at the same time he or she is referred to the appropriate State agency for a disability determination;

(D) the feasibility and appropriateness of providing work evaluation stipends for ap-

plicants for and recipients of benefits based on disability in cases where extended work evaluation is needed prior to the final determination of their eligibility for such benefits or for further rehabilitation and related services;

(E) the standards, policies, and procedures which are applied or used by the Secretary of Health and Human Services with respect to work evaluations in order to determine whether such standards, policies, and procedures will provide appropriate screening criteria for work evaluation referrals in the case of applicants for and recipients of benefits based on disability; and

(F) possible criteria for assessing the probability that an applicant for or recipient of benefits based on disability will benefit from rehabilitation services, taking into consideration not only whether the individual will be able after rehabilitation to engage in substantial gainful activity but also whether rehabilitation services can reasonably be expected to improve the individual's functioning so that he or she will be able to live independently or work in a sheltered environment.

(2) For purposes of this subsection, "work evaluation" includes (with respect to any individual) a determination of—

- (A) such individual's skills,
- (B) the work activities or types of work activity for which such individual's skills are insufficient or inadequate,
- (C) the work activities or types of work activity for which such individual might potentially be trained or rehabilitated,
- (D) the length of time for which such individual is capable of sustaining work (including, in the case of the mentally impaired, the ability to cope with the stress of competitive work), and
- (E) any modifications which may be necessary, in work activities for which such individual might be trained or rehabilitated, in order to enable him or her to perform such activities.

(d) PROVISION OF ASSISTANCE TO COUNCIL; COMPENSATION OF MEMBERS.—(1) The Disability Advisory Council is authorized to engage such technical assistance, including actuarial services, as may be required to carry out its functions, and the Secretary of Health and Human Services shall, in addition, make available to the Council such secretarial, clerical, and other assistance and such actuarial and other pertinent data prepared by the Department of Health and Human Services as the Council may require to carry out such functions.

(2) Appointed members of the Council, while serving on business of the Council (inclusive of traveltime), shall receive compensation at rates fixed by the Secretary, but not exceeding \$100 per day, and, while so serving away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons in the Government employed intermittently.

(e) REPORTS.—The Disability Advisory Council shall submit a report (including any interim reports the Council may have issued) of its findings and recommendations to the Secretary of Health and Human Services not later than December 31, 1986; and such report and recommendations shall thereupon be transmitted to the Congress and to the Board of Trustees of the Federal Disability Insurance Trust Fund.

(f) TERMINATION.—After the date of the transmittal to the Congress of the report required by subsection (e), the Disability Advisory Council shall cease to exist.

(g) CONFORMING AMENDMENTS.—(1) Section 706 of the Social Security Act is amended—

(A) by inserting "except as provided in subsection (e)," immediately before "the Secretary shall appoint" in subsection (a); and

(B) by adding at the end thereof the following new subsection:

"(e) No Advisory Council on Social Security shall be appointed under subsection (a) in 1985 (or in any subsequent year prior to 1989)."

(2) Section 12 of the Social Security Disability Benefits Reform Act of 1984 is repealed.

SEC. 4. TAXATION OF SOCIAL SECURITY BENEFITS RECEIVED BY CERTAIN CITIZENS OF POSSESSIONS OF THE UNITED STATES.

(a) GENERAL RULE.—Section 932 of the Internal Revenue Code of 1954 (relating to citizens of possessions of the United States) is amended by redesignating subsection (c) as subsection (d) and by inserting after subsection (b) the following new subsection:

"(c) TAXATION OF SOCIAL SECURITY BENEFITS.—If, for purposes of an income tax imposed in the possession, any social security benefit (as defined in section 86(d) received by an individual described in subsection (a) is treated in a manner equivalent to that provided by section 86, then—

"(1) such benefit shall be exempt from the tax imposed by section 871, and

"(2) no amount shall be deducted and withheld from such benefit under section 1441."

(b) CROSS REFERENCE.—Paragraph (3) of section 871(a) of such Code is amended by adding at the end thereof (after and below subparagraph (B)) the following new sentence:

"For treatment of certain citizens of possessions of the United States, see section 932(c)."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to benefits received after December 31, 1983, in taxable years ending after such date.

SEC. 5. APPLICATION OF DEPENDENCY TEST TO ADOPTED GREAT-GRANDCHILDREN FOR PURPOSES OF CHILD'S INSURANCE BENEFITS.

(a) TREATMENT OF GRANDCHILDREN AND GREAT GRANDCHILDREN ALIKE.—Section 202(d)(8)(D)(ii)(III) of the Social Security Act is amended by inserting "or great-grandchild" after "grandchild".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to benefits for which application is filed after the date of the enactment of this Act.

SEC. 6. ELIMINATION OF REQUIREMENT FOR PUBLICATION OF REVISIONS IN PRE-1979 BENEFIT TABLE.

Section 215(i)(4) of the Social Security Act is amended by striking out "the Secretary shall publish" and all that follows in the last sentence and inserting in lieu thereof the following: "the Secretary shall revise the table of benefits contained in subsection (a), as in effect in December 1978, in accordance with the requirements of paragraph (2)(D) of this subsection as then in effect, except that the requirement in such paragraph (2)(D) that the Secretary publish such revision of the table of benefits in the Federal Register shall not apply."

SEC. 7. FAIL-SAFE FORMULA CLARIFICATION.

Section 709(b)(1) of the Social Security Act is amended to read as follows:

"(1) the balance in such Trust Fund as of the beginning of such year, including the taxes transferred under section 201(a) on

the first day of such year and reduced by the outstanding amount of any loan (including interest thereon) theretofore made to such Trust Fund under section 201(l) or 1817(j), to";

SEC. 8. EXTENSION OF 15-MONTH REENTITLEMENT PERIOD TO CHILDHOOD DISABILITY BENEFICIARIES SUBSEQUENTLY ENTITLED.

(a) IN GENERAL.—Section 202(d)(6)(E) of the Social Security Act is amended by striking out "the third month following the month in which he ceases to be under such disability" and inserting in lieu thereof "the termination month (as defined in paragraph (1)(G)(i)), subject to section 223(e)."

(b) CONFORMING AMENDMENT.—Section 223(e) of such Act is amended by inserting "(d)(6)(A)(ii), (d)(6)(B)," after "(d)(1)(B)(ii)."

(c) EFFECTIVE DATE.—The amendments made by this section are effective December 1, 1980, and shall apply with respect to any individual who is under a disability (as defined in section 223(d) of the Social Security Act) on or after that date.

SEC. 9. CHARGING OF WORK DEDUCTIONS AGAINST AUXILIARY BENEFITS IN DISABILITY CASES.

(a) IN GENERAL.—(1) Section 203(a)(4) of the Social Security Act is amended by striking out "preceding" in the first sentence.

(2) Section 203(a)(6) of such Act is amended—

(A) by striking out "and (5)" and inserting in lieu thereof "(4), and (5)"; and

(B) by striking out "whether or not" and all that follows down through "further reduced" and inserting in lieu thereof "shall be reduced".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply with respect to benefits payable for months after December 1985.

SEC. 10. PERFECTING AMENDMENTS TO DISABILITY OFFSET PROVISION.

(a) IN GENERAL.—(1) Section 224(a)(2) of the Social Security Act is amended to read as follows:

"(2) such individual is entitled for such month to—

"(A) periodic benefits on account of his or her total or partial disability (whether or not permanent) under a workmen's compensation law or plan of the United States or a State, or

"(B) periodic benefits on account of his or her total or partial disability (whether or not permanent) under any other law or plan of the United States, a State, a political subdivision (as that term is used in section 218(b)(2)), or an instrumentality of two or more States (as that term is used in section 218(k)), other than (i) benefits payable under title 38, United States Code, (ii) benefits payable under a program of assistance which is based on need, (iii) benefits based on service all or substantially all of which was included under an agreement entered into by a State and the Secretary under section 218, and (iv) benefits under a law or plan of the United States based on service all or part of which is employment as defined in section 210."

(2) Section 224(a)(2) of such Act (as amended by paragraph (1) of this subsection) is further amended by striking out "all or part of which" in clause (iv) and inserting in lieu thereof "all or substantially all of which".

(b) EFFECTIVE DATES.—(1) The amendment made by subsection (a)(1) shall be effective as though it had been included or reflected in the amendment made by section

2208(a)(3) of the Omnibus Budget Reconciliation Act of 1981.

(2) The amendment made by subsection (a)(2) shall apply only with respect to monthly benefits payable on the basis of the wages and self-employment income of individuals who become disabled (within the meaning of section 223(d) of the Social Security Act) after the month in which this Act is enacted.

SEC. 11. STATE COVERAGE AGREEMENTS.

(a) **MAXIMUM PERIOD OF RETROACTIVE COVERAGE.**—Section 218(f)(1) of the Social Security Act is amended by striking out "is agreed to by the Secretary and the State" and inserting in lieu thereof "is mailed or delivered by other means to the Secretary".

(b) **POSITIONS COMPENSATED SOLELY ON FEE BASIS.**—Section 218(u)(3) of such Act is amended by striking out "is agreed to by the Secretary and the State" and inserting in lieu thereof "is mailed or delivered by other means to the Secretary".

(c) **EFFECTIVE DATE.**—The amendments made by this section shall apply with respect to agreements and modifications of agreements which are mailed or delivered to the Secretary of Health and Human Services (under section 218 of the Social Security Act) on or after the date of the enactment of this Act.

SEC. 12. EFFECT OF EARLY DELIVERY OF BENEFIT CHECKS.

(A) **FOR OASDI PURPOSES.**—Section 708 of the Social Security Act is amended by adding at the end thereof the following new subsection:

"(c) For purposes of computing the 'OASDI trust fund ratio' under section 201(l), the 'OASDI fund ratio' under section 215(l) and the 'balance ratio' under section 709(b), benefit checks delivered before the end of the month for which they are issued by reason of subsection (a) of this section shall be deemed to have been delivered on the regularly designated delivery date."

(b) **FOR INCOME TAX PURPOSES.**—Section 86(d) of the Internal Revenue Code of 1954 (relating to taxation of social security and tier 1 railroad retirement benefits) is amended by adding at the end thereof the following new paragraph:

"(5) Effect of early delivery of benefit checks.—For purposes of subsection (a), in any case where section 708 of the Social Security Act causes social security benefit checks to be delivered before the end of the calendar month for which they are issued, the benefits involved shall be deemed to have been received in the succeeding calendar month."

(c) **EFFECTIVE DATE.**—The amendments made by this section shall apply with respect to benefit checks issued for months ending after the date of the enactment of this Act.

SEC. 13. PRESERVATION OF BENEFIT STATUS FOR DISABLED WIDOWS AND WIDOWERS WHO LOST SSI BENEFITS BECAUSE OF 1983 CHANGES IN ACTUARIAL REDUCTION FORMULA

(a) **IN GENERAL.**—Section 1634 of the Social Security Act is amended—

(1) by inserting "(a)" after "Sec. 1984.", and

(2) by adding at the end the following new subsection:

"(b)(1) An eligible disabled widow or widower (described in paragraph (2)) who is entitled to a widow's or widower's insurance benefit based on a disability for any month under section 202(e) or (f) but is not eligible for benefits under this title in that month and who applies for the protection of this

subsection under paragraph (3), shall be deemed for purposes of title XIX to be an individual with respect to whom benefits under this title are paid in that month if he or she—

"(A) has been continuously entitled to such widow's or widower's insurance benefits from the first month for which the increase described in paragraph (2)(C) was reflected in such benefits through the month involved, and

"(B) would be eligible for benefits under this title in the month involved if the amount of the increase described in paragraph (2)(C) in his or her widow's or widower's insurance benefits, and any subsequent cost-of-living adjustment in such benefits under section 215(i), were disregarded.

"(2) For purposes of paragraph (1), the term 'eligible disabled widow or widower' means an individual who—

"(A) was entitled to a monthly insurance benefit under title II for December 1983,

"(B) was entitled to a widow's or widower's insurance benefit based on a disability under section 202 (e) or (f) for January 1984 and with respect to whom a benefit under this title was paid in that month, and

"(C) because of the increase in the amount of his or her widow's or widower's insurance benefits which resulted from the amendments made by section 134 of the Social Security Amendments of 1983 (Public Law 98-21) (eliminating the additional reduction factor for disabled widows and widowers under age 60), was ineligible for benefits under this title in the first month in which such increase was paid to him or her (and in which a retroactive payment of such increase for prior months was not made).

"(3) This subsection shall only apply to an individual who files a written application for protection under this subsection, in such manner and form as the Secretary may prescribe, during the 12-month period beginning with the 3d month that begins after the date of the enactment of this subsection.

"(4) For purposes of this subsection, the term 'benefits under this title' includes payments of the type described in section 1616(a) or of the type described in section 212(a) of Public Law 93-66."

(b) **IDENTIFICATION OF BENEFICIARIES.**—(1) As soon as possible after the date of the enactment of this Act, the Secretary of Health and Human Services shall provide each State with the names of all individuals receiving widow's or widower's insurance benefits under subsection (e) or (f) of section 202 of the Social Security Act based on a disability who might qualify for medical assistance under the plan of that State approved under title XIX of such Act by reason of the application of section 1634(b) of the Social Security Act.

(2) Each State shall—

(A) using the information so provided and any other information it may have, promptly notify all individuals who may qualify for medical assistance under its plan by reason of such section 1634(b) of their right to make application for such assistance,

(B) solicit their applications for such assistance, and

(C) make the necessary determination of such individuals' eligibility for such assistance under such section and under such title XIX.

(c) **EFFECTIVE DATE.**—The amendment made by subsection (a)(2) shall not have the effect of deeming an individual eligible for medical assistance for any month which begins less than two months after the date of the enactment of this Act.

SEC. 14. GENERAL EFFECTIVE DATE.

Except as otherwise specifically provided, this Act and the amendments made by this Act shall take effect on the first day of the month following the month in which this Act is enacted.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Illinois [Mr. ROSTENKOWSKI] will be recognized for 20 minutes and the gentleman from Texas [Mr. ARCHER] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Illinois [Mr. ROSTENKOWSKI].

GENERAL LEAVE

Mr. ROSTENKOWSKI. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 2005, the bill presently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today to present for the House's consideration H.R. 2005, the Social Security Minor and Technical Changes Act of 1985. This bill makes several needed technical changes in the Social Security Act, primarily to correct errors in the drafting of previous amendments. In addition, the bill contains an extension of the waiver authority necessary for the Social Security Administration to conduct demonstration projects on the vocational rehabilitation of disability beneficiaries. The bill also provides continued eligibility for disabled widows who were made ineligible for SSI and Medicaid benefits by an increase in their Social Security benefits in the 1983 Social Security Amendments. This bill contains no controversial or costly amendments, but simply makes necessary technical corrections to the act, as well as providing some additional relief for a very small group of disabled widows. I therefore urge my colleagues to support this legislation.

Mr. Speaker, I yield such time as he may consume to the chairman of the Subcommittee on Social Security, the gentleman from Oklahoma [Mr. JONES].

Mr. JONES of Oklahoma. Mr. Speaker, I rise in support of H.R. 2005, which was developed in my subcommittee to address certain very technical issues in the Social Security System which needed to be corrected. These corrections will eliminate unintended effects of earlier Social Security Amendments, as well as clarifying congressional intent with respect to other recent changes. This bill also provides much-needed relief for a lim-

ited group of about 4,000 disabled widows who were inadvertently made ineligible for SSI benefits and Medicaid by the 1983 Social Security Amendments. Finally, the bill insures, through extension of waiver authority for vocational rehabilitation experiments by the Social Security Administration, that the work begun in last year's 1984 disability amendments to straighten out the disability program, can continue with new research to find ways to encourage beneficiaries to return to work and productive activity if they are capable of it. This bill is noncontroversial, and has minimal cost. I urge its adoption by the House.

Mr. ROSTENKOWSKI. Mr. Speaker, I reserve the balance of my time.

Mr. ARCHER. Mr. President, I yield myself such time as I may consume.

Mr. Speaker, as a cosponsor of H.R. 2005, I wish to assure my colleagues that this bill, the Social Security Minor and Technical Changes Act of 1985 is a necessary yet thoroughly noncontroversial and unexciting piece of legislation. In part, the bill corrects certain anomalies introduced by the 1983 Social Security Amendments.

Let me cite an example. Ordinarily Social Security checks are delivered on the 3d of the month following the month for which payment is due. That means the December check is delivered on January 3. However, earlier delivery on the nearest preceding banking day is permitted when the 3d falls on Saturday, Sunday, or a holiday. In 1988, January 3 falls on Sunday, which means checks will be delivered on December 31. This timing—like the appearance of Halley's comet—occurs infrequently, but potentially is on a collision course with two provisions of the 1983 amendments. First, those beneficiaries subject to income tax on their benefits could be taxed on the basis of 13 checks in 1987 and 11 in 1988. Second, it would skew the January 1, computation of trust fund ratios, which in turn governs interfund borrowing et cetera. Consequently, in these two situations, H.R. 2005 would deem checks delivered on the third of the month.

To cite a second example, the 1983 amendments taxed benefits in one of two ways depending on a beneficiary's status as resident of the United States, or nonresident alien. In implementing this provision, the Social Security Administration and the Internal Revenue Service determined that citizens of American Samoa—unlike citizens of Guam, Puerto Rico or the Virgin Islands—would be treated as aliens subject to a flat 15 percent withholding of benefits, regardless of total income. This bill would treat American Samoans in a manner similar to other citizens of possessions of the United States.

Not all of the bill's provisions are quite as "technical," but for the most

part the combined impact will be a small one.

The most significant provision, and the one which costs three of the bill's estimated \$4 million in fiscal 1986, would extend SSA's authority to conduct vocational rehabilitation demonstration projects to encourage disabled beneficiaries to return to work. The administration has been slow to implement the original authorization in the 1980 amendments. However, several projects are under way and it is important this authority be extended. I'm convinced—given the impact of the 1984 Disability Benefits Reform Act—that our committee must look more closely at vocational rehabilitation as an alternative to continuing disability benefits for the permanently handicapped.

In brief, Mr. Speaker, H.R. 2005 is a sound, necessary bill, which tidies up the loose ends of prior legislation. There should be nothing controversial, about its passage today.

□ 1320

Mr. ARCHER. Mr. Speaker, I yield such time as he may consume to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. I thank the gentleman for yielding. This does seem like a meritorious bill, but I am a little concerned about the \$4 million in outlays for fiscal year 1986.

I am trying to find out whether or not those outlays would in fact violate freeze levels under the 1985 spending levels. Is that \$4 million of additional outlay over and above anything that we would have spent in 1985?

Mr. ARCHER. I am sorry, I am not sure that I can specifically answer the gentleman's question relative to the entire budget.

Mr. WALKER. Could the gentleman from Oklahoma [Mr. JONES] answer the question?

Mr. JONES of Oklahoma. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Oklahoma.

Mr. JONES of Oklahoma. I thank the gentleman. I am not sure I caught the full thrust of his question, but I believe that it had to do with a waiver being required.

Mr. WALKER. No, it had to do with the freeze. We have had a series of votes out here where the House has proclaimed its undying allegiance to the concept of an outlay freeze in 1986. Now I see a bill before us that has \$4 million in additional outlays in 1986 supposedly.

What I am asking is, is that \$4 million over and above 1985 appropriated or outlay levels?

Mr. JONES of Oklahoma. Well, if the gentleman will yield, most of this would be a continuation of the demonstration project for vocational reha-

bilitation to allow beneficiaries to get back into the workplace sooner.

Most of that is budget authority and there is not necessarily any outlays that will happen. That will come from the Social Security trust fund as part of the administrative budget of the Secretary of HHS. So it really would not be affected in the budget freeze.

Mr. WALKER. Well, if the gentleman will yield further, I understand that the money comes from the trust fund. However, the trust fund is a part of our overall budget and you cannot separate out the fact that the unified budget includes the trust fund expenditures of Social Security. What I am trying to find out is whether or not this is additional money that is going to be spent over and above 1985 outlays and, therefore, is in violation of the freeze.

Mr. ARCHER. Mr. Speaker, will the gentleman yield to me?

Mr. WALKER. I yield to the gentleman from Texas.

Mr. ARCHER. Well, for a response to the gentleman's question, since these are trust funds and since they come out of the program which varies throughout the year, there has never been suggested a freeze on overall Social Security spending which is impossible to determine, particularly in the disability area, a year in advance.

There is no way that there can be with certainty a figure as to what moneys will be spent in the year 1986 on disability.

Mr. WALKER. Well, am I now understanding that therefore any of this talk that we have had out here on the floor about a freeze exempts, by nature, all trust funds and all Social Security programs, is that now the understanding that we have now exempted about \$350 billion of the budget from this freeze thing that is running out here on the floor?

Mr. JONES of Oklahoma. Mr. Speaker, will the gentleman yield to me?

Mr. WALKER. I will be glad to yield to the gentleman from Oklahoma.

Mr. JONES of Oklahoma. I thank the gentleman for yielding.

Mr. Speaker, first of all, I think we need to put this in perspective. We are talking about \$4 million out of \$969 billion. But this is part of the Secretary's administrative budget. At the time the HHS appropriation comes forward, if you want to freeze the administrative budget, this would fit into that without any problem whatsoever.

Mr. WALKER. But we have not maintained that philosophy when it has come to authorizing other programs. We have had authorization bills out here on all kinds of programs NSF, NASA, a whole bunch of programs where we have voted to freeze authorization levels at 1985 appropriation levels. We have done that and we

have done it with great glee out here, and we have all taken this strong advocacy position.

What I am trying to find out is, we have a new authorization here before us, from everything I can tell, and it appears to be authorizing \$4 million in additional outlays for 1986. I am trying to find out whether or not this is \$4 million of add-on spending or whether or not it is \$4 million that would be covered under the 1985 appropriation and outlay levels.

Mr. JONES of Oklahoma. Will the gentleman yield to me?

Mr. WALKER. I will be glad to yield to the gentleman from Oklahoma.

Mr. JONES of Oklahoma. I thank the gentleman for yielding.

I will be more than happy to join the gentleman in freezing the Secretary's administrative budget. It is not appropriate at this point. This will clearly fit into a freeze, however, if that answers the gentleman's question.

Mr. WALKER. Well, if I have the assurance of the gentleman that this money would certainly fit into a 1985 freeze context, then that alleviates my problem.

Mr. JONES of Oklahoma. This clearly can be accommodated in a freeze concept.

Mr. WALKER. I thank the gentleman.

Mr. Speaker, I thank the gentleman from Texas [Mr. ARCHER] for yielding.

Mr. ARCHER. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield myself such time as I may consume.

Passage of this Social Security technical corrections bill marks a significant occasion for a member of the staff of the Committee on Ways and Means, Erv Hytner.

Mr. Speaker, it appears that this will be the last in a long series of legislative acts concerning the Medicare and Social Security Programs in which Erv has played a major role.

When I became chairman of the Ways and Means Subcommittee on Health, Erv Hytner was a senior member of the subcommittee staff. He played a major role in the development of the Medicare legislation enacted during my tenure as the Health Subcommittee chairman. He later transferred to the Subcommittee on Social Security where he has done an outstanding job as the subcommittee staff director. No one spent more time working on or made a larger contribution to the development and passage of the landmark Social Security Amendments of 1983 than Erv.

During his 10 years on the Ways and Means Committee staff, Erv also served as the staff director of the Oversight Subcommittee. Prior to joining the Ways and Means Commit-

tee, Erv work approximately 20 years at the Social Security Administration, beginning as claims representative, serving as a key staff member in the development and enactment of the Medicare and Medicaid Programs, and ending up as one of the key administrators of these Federal Health programs. For his service to our Social Security Programs, Erv has received two citations for outstanding service from the Social Security Commissioner, one when he left SSA and the other just recently.

We will miss Erv at Ways and Means. We have come to depend upon his experience, knowledge, and insight, and have thoroughly enjoyed his cooperative approach and optimistic outlook.

The sunny climate of Florida is very enticing, and we understand why he might want to move there. Erv certainly deserves the rest. He has worked hard and made outstanding contributions to the legislative process.

My final directive to Erv is, leave me your phone number. I want to know that I can reach you when I need assistance in Social Security, disability, or Medicare legislation.

Mr. JONES of Oklahoma. Mr. Speaker, will the gentleman yield to me?

Mr. ROSTENKOWSKI. I yield to the gentleman from Oklahoma [Mr. JONES].

Mr. JONES of Oklahoma. I thank the gentleman for yielding.

Mr. Speaker, I would like to add my commendation to Erv Hytner. I have only served as chairman of the Subcommittee on Social Security this year and this is the first opportunity I have gotten to know and work closely with Erv Hytner. But I think that we are not about to see the end of Erv's public policy contribution. I think he is going to join the ranks of people such as Wilbur Cohen, and Bob Ball, and others who have made so many contributions.

So his retirement is not going to be a retirement from public policy development. I have a feeling he is going to be on our backs keeping the Congress and the American people aware of those issues affecting senior citizens.

Mr. Speaker, we wish him the very best.

□ 1330

Mr. ARCHER. Will the gentleman yield?

Mr. ROSTENKOWSKI. I yield to the gentleman.

Mr. ARCHER. I would like to join with my colleagues from the majority side in expressing the views of the minority that Erv Hytner has been a true craftsman of legislative skill, in helping us to work with the very complex problems of Social Security over the years.

He has always been willing to give of his time and in a most objective way, help to bring about bipartisan treatment of these issues. I compliment him for his service. It has been a pleasure for me personally to work with him, and I wish him Godspeed in the years ahead.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Illinois [Mr. ROSTENKOWSKI] that the House suspend the rules and pass the bill, H.R. 2005, as amended.

The question was taken.

Mr. ROSTENKOWSKI. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to the provisions of clause 5, rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

Washington, DC, May 13, 1985.

HON. THOMAS P. O'NEILL, JR.,
The Speaker, House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 5, Rule III of the Rules of the U.S. House of Representatives, I have the honor to transmit sealed envelopes received from the White House as follows:

(1) At 4:00 p.m. on Monday, May 13, 1985 and said to contain a message from the President whereby he transmits the fourth annual report on the state of small business; and

(2) At 4:00 p.m. on Monday, May 13, 1985 and said to contain a message from the President whereby he transmits the fiscal year 1984 annual report of the Commodity Credit Corporation.

With kind regards, I am,

Sincerely,

BENJAMIN J. GUTHRIE,
Clerk, House of Representatives.

ANNUAL REPORT ON THE STATE OF SMALL BUSINESS—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Small Business and the Committee on Ways and Means:

(For message, see proceedings of the Senate of today, Tuesday, May 14, 1985.)

REPORT OF THE COMMODITY CREDIT CORPORATION FOR FISCAL YEAR 1984—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Agriculture:

(For message, see proceedings of the Senate of today, Tuesday, May 14, 1985.)

PROVIDING FOR CONSIDERATION OF H.R. 1157, AUTHORIZATIONS FOR APPROPRIATIONS OF MARITIME PROGRAMS FOR FISCAL YEAR 1986

Mr. MOAKLEY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 157, and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 157

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1157) to authorize appropriations for fiscal year 1986 for certain maritime programs of the Department of Transportation and the Federal Maritime Commission, and the first reading of the bill shall be dispensed with. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Merchant Marine and Fisheries, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER pro tempore. The gentleman from Massachusetts is recognized for 1 hour.

Mr. MOAKLEY. Mr. Speaker, for purposes of debate only, I yield 30 minutes to the gentleman from Mississippi [Mr. LOTT], and pending that, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 157 is the rule providing for the consideration of H.R. 1157, the authorization of Appropriations for Maritime Programs for Fiscal Year 1986. It is an open rule that provides for 1 hour of general debate to be equally divided and controlled by the chairman and ranking minority member of the Committee on Merchant Marine and Fisheries. The bill shall be read for amendment under the 5 minute rule, there

are no waivers of points of order and the rule provides for one motion to recommit.

Mr. Speaker, H.R. 1157 is an annual authorization that permits the appropriation for certain maritime programs administered by the Department of Transportation and the Federal Maritime Commission for fiscal year 1986. H.R. 1157 authorizes \$417 million for the Maritime Administration, of this amount \$335.1 million would go to the payment of operating differential subsidies. These subsidies are paid to U.S. companies to enable them to operate U.S.-flag ships competitively in the U.S. foreign trade by offsetting the excess of U.S. ship operating costs over comparable foreign operating costs.

In addition, H.R. 1157 would authorize \$9.9 million for research and development programs that are designed to develop information and technology to improve productivity and operating efficiency in U.S. shipbuilding and ship operating industries. Also, Mr. Speaker, H.R. 1157 would authorize \$71.9 million for operating and training programs administered by the Maritime Administration. These funds would be used to pay salaries and other expenses for the operation of the U.S. Merchant Marine Academy and to the six State merchant marine academies. Also H.R. 1157 provides funding for Federal training programs and for national security support programs.

Mr. Speaker, as I stated earlier, this is an annual authorization for worthwhile programs that I have enthusiastically supported over the years. I urge adoption of House Resolution 1157 so that the House will have an opportunity to consider this legislation.

Mr. LOTT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I send an amendment to the desk and ask unanimous consent for its immediate consideration.

Mr. MOAKLEY. Mr. Speaker, I object.

Mr. LOTT. Mr. Speaker, I wonder if the gentleman would suspend until the Clerk has read the amendment. He might like it.

The SPEAKER pro tempore. The gentleman from Massachusetts [Mr. MOAKLEY] did not yield for that purpose.

Mr. MOAKLEY. That is right, Mr. Speaker.

Mr. LOTT. This is a unanimous-consent request.

Mr. MOAKLEY. I object to the unanimous-consent request.

The SPEAKER pro tempore. Objection is heard.

Mr. LOTT. Mr. Speaker, are we not going to have the amendment read?

The SPEAKER pro tempore. The gentleman from Massachusetts objected.

Mr. MOAKLEY. I objected, Mr. Speaker.

The SPEAKER pro tempore. The gentleman from Massachusetts [Mr. MOAKLEY] yielded for purposes of debate only.

PARLIAMENTARY INQUIRY

Mr. WALKER. Parliamentary inquiry, Mr. Speaker.

The SPEAKER pro tempore. The gentleman will state his inquiry.

Mr. WALKER. What has the gentleman from Massachusetts objected to? The amendment has not been read at this point.

The SPEAKER pro tempore. He is objecting to the offering and consideration of the amendment, including the reading.

Mr. WALKER. It was my understanding that the gentleman from Mississippi [Mr. LOTT] simply asked unanimous consent that he be allowed to offer an amendment. The Clerk was about to read the amendment. Could not the gentleman withhold until the amendment at least was read?

Mr. MOAKLEY. Mr. Speaker, if the gentleman yields, I offered time to the gentleman from Mississippi [Mr. LOTT] for the purposes of debate only.

□ 1340

The SPEAKER pro tempore. The Chair has very clearly stated that the Clerk does not have to read the amendment. The gentleman from Massachusetts [Mr. MOAKLEY] objected to the offering of the amendment. The Clerk is under no obligation to read the amendment.

Mr. LOTT. Mr. Speaker, since I have yielded myself such time as I may consume, I would like to read the amendment that I had just sent to the desk and tried to have read and considered as part of this rule:

At the end of the resolution, add the following new paragraph:

SEC. 2. For the remainder of the 99th Congress, whenever the Committee on Rules reports a resolution providing a special order of business for the consideration of any measure or matter, and such resolution proposes to waive any provision of the Congressional Budget Act of 1974 (Public Law 93-344), the report accompanying such resolution shall include an explanation of and justification for any such waiver, and a summary of any comments received from the Committee on the Budget or its chairman with respect to any such waiver."

Mr. Speaker, I realize that my unanimous-consent request to offer an amendment to this rule was a most unusual one. By way of explanation, let me point out that the proposal to require report language on any proposed waivers of the Budget Act in a rule is one of the items on our House Republican "McIntyre agenda." That agenda is our response to the recent travesty that took place in this House in denying a duly elected and certified Member his rightful seat as a Member. It is a constructive package of House reforms designed to clean up the

House rather than close it down. A better House is the legacy we want to greet Rick McIntyre when he returns to this body in January 1987.

I think this rule is a most appropriate vehicle for the House to make a stand on Budget Act waivers, since this is probably one of the last of the clean, open rules we will see in this session, if not this Congress. This rule is most notable for the fact that it contains no waivers of House rules or of the Budget Act.

But, after this week, all that will change as committees come in with late bills, reported after the May 15 Budget Act deadline for reporting authorization bills. And the Appropriations Committee will begin coming in with spending bills before final action has been completed on a budget resolution. Indeed, the House Budget Committee is already 1 month late in reporting a budget resolution, and this is the week Congress is supposed to have completed action on that resolution. So, we will begin seeing rules containing all manner of Budget Act waivers. We might just as well waive the Budget Act goodbye for all the ignoring, circumventing, and violating we will be doing.

Now, I realize that it would not be practical to impose a total ban on future Budget Act waivers in rules. There are times when technical waivers are necessary, such as when a committee has agreed to offer an amendment to clear up any Budget Act violations in its bill. There are times when more substantive waivers must be agreed to for emergency reasons. And, I suspect as has happened in the past, we will again be asked this year for permission to proceed with the appropriations bills, notwithstanding the lack of a budget resolution.

But it's easy to discern the escalating nature and degree of Budget Act circumvention that has been taking place in recent years—from technical to emergency justifications for waivers, to an outright setting aside of the Budget Act to take major actions. Indeed, in the last Congress, we granted a record high 133 Budget Act waivers, compared to 106 in the 95th Congress. That number represents 70 percent of all rules granted in the 98th Congress, compared with 41 percent in the 95th Congress.

My proposed amendment was designed to enable the House to understand just what is involved in a proposed budget waiver and better determine whether that waiver should be supported. It would require the Rules Committee to explain and justify the waiver in its report on the rule.

I don't think it is too much to ask that a committee justify in a report just what it is proposing the House adopt. After all, we require every other committee to issue a report containing an explanation of the legisla-

tion it reports. Why should the Rules Committee be any exception, especially when it comes to such an important matter as the congressional budget process and whether it will be waived or enforced?

I realize that the argument will be offered that the Rules Committee is different; it's a leadership committee; it must be unhindered so it can act with dispatch in an emergency. And on and on go the justifications for its privileged status and immunity from reporting requirements.

But surely the Rules Committee should already have available when it votes to report a rule the explanation and justification for any budget waivers along with any comments from the Budget Committee or its chairman. To put this information in the report on the rule should entail little additional time or effort.

That's all that is being asked by this "McIntyre agenda" amendment. Let's give ourselves better information on how a bill might be violating the Budget Act at the time we consider these rules containing waivers. Maybe—just maybe—committees will be a little more careful about violating the Budget Act in the first place. And maybe—just maybe—we will do a better job of implementing and enforcing a more meaningful and effective congressional budget once again.

COMPARISON OF RULES AND BUDGET WAIVERS GRANTED BY THE RULES COMMITTEE, 95TH THROUGH 98TH CONGRESSES (1977-84)

	Congress			
	95th	96th	97th	98th
Total rules granted (TRG)	256	259	152	190
Budget waivers granted (BWG)	106	127	98	133
BWG as percent of TRG	41	49	64	70
BWG by sections of Budget Act: ¹				
Sec. 303(a)	10	0	1	21
Sec. 303(a)(1)	(*)	0	2	14
Sec. 303(a)(4)	(*)	9	9	13
Sec. 305(a)(1)	0	0	1	1
Sec. 311(a)	0	5	15	12
Sec. 401(a)	43	23	21	6
Sec. 401(b)	(*)	13	7	10
Sec. 402(a)	53	77	42	54
Other	0	0	0	2
Total	106	127	98	133

¹ See attached "Explanation of Sections of the Congressional Budget Act Waived by the Rules Committee in Special Order Resolutions."

² No distinction made between subsections of the same section.

Sources: Survey of Activities of the House Committee on Rules, 95th-98th Congresses (H. Repts. 95-1814, 96-1566, 97-1007 and 98-1192).

EXPLANATION OF SECTIONS OF THE CONGRESSIONAL BUDGET ACT WAIVED BY THE RULES COMMITTEE IN SPECIAL ORDER RESOLUTIONS

(1) Sec. 303(a).—Prohibits the consideration of legislation providing new budget authority, new entitlement authority, or an increase or decrease in revenues or the public debt for a fiscal year, prior to the adoption of the first budget resolution for a fiscal year.

(2) Sec. 303(a)(1).—Prohibits the consideration of legislation providing new budget authority for a fiscal year prior to the adoption of the first budget resolution for that fiscal year.

(3) Sec. 303(a)(4).—Prohibits the consideration of legislation providing new entitle-

ment authority for a fiscal year prior to the adoption of the first budget resolution for that fiscal year.

(4) Sec. 305(a)(1).—Requires a ten-day layover of a budget resolution prior to its consideration.

(5) Sec. 311(a).—Prohibits the consideration of legislation which would cause the new budget authority or outlay ceilings set in the budget resolution to be exceeded, or which would cause the revenue floor to be breached.

(6) Sec. 401(a).—Prohibits the consideration of legislation providing new spending authority unless such authority is effective only to the extent provided for in appropriations acts.

(7) Sec. 401(b)(1).—Prohibits the consideration of legislation providing new spending authority which becomes effective prior to October 1 of the year it was reported.

(8) Sec. 402(a).—Prohibits the consideration of legislation authorizing the enactment of new budget authority not reported by May 15 preceding the start of the fiscal year in which it is to become effective.

Mr. Speaker, it's always a pleasure to be a bearer of good rules, and the rule before us today is indeed a good rule. It's clean, it is open, and it's brief. And I shall attempt to do it the justice it deserves by being brief as well.

Mr. Speaker, the rule before us makes in order the consideration of H.R. 1157, the fiscal 1986 authorization for certain maritime programs in the Department of Transportation, and the Federal Maritime Commission. The rule provides for 1 hour of general debate followed by the consideration of the bill for amendment under the 5-minute rule. Finally, the rule allows for one motion to recommend.

Mr. Speaker, H.R. 1157 authorizes \$416.9 million for fiscal year 1986. That's \$48.2 million less than the fiscal 1985 appropriation, but it's still \$48.2 million more than the administration request. In that regard, the administration's policy statement on this bill says that it does not object to House passage of the bill, but will seek amendments in the other body to bring the funding levels into conformity with the administration's request.

Mr. Speaker, I think it should be pointed out that there are no funds in this bill for construction differential subsidies. Instead, the bulk of the money, \$335.1 million, would go for operating differential subsidies. These are moneys paid to U.S. companies to enable them to operate U.S. flagships competitively in the U.S. foreign trade. This is done by offsetting certain portions of the excess of U.S. ship operating costs compared to comparable foreign vessels.

In addition, the bill authorizes \$9.9 million for research and development—the same amount requested by the administration; and \$71.9 million for operations and training programs—\$12.6 million more than requested by the administration for

those purposes. Finally, the bill authorizes \$11.9 million for the Federal Maritime Commission which is responsible for administering the basic shipping statutes and settling claims which arise under those laws.

Mr. Speaker, as I mentioned earlier, this is a clean, 1-hour open rule, with no waivers or restrictions. The bill it makes in order was reported unanimously from the Committee on Merchant Marine and Fisheries Committee. I urge the adoption of this rule so that we might proceed with the consideration of the important maritime program authorization for fiscal year 1986.

Mr. Speaker, I have no further requests for time.

Mr. MOAKLEY. Mr. Speaker, yielding myself such time as I may consume, I thank the gentleman from Mississippi for speaking so favorably for our rule. I agree with him, it is a clean rule, it is a pure rule, and that is why I objected to his offering the amendment, because I know there will be other rules that he will not be happy with.

Mr. LOTT. Mr. Speaker, will the gentleman yield?

Mr. MOAKLEY. I yield to the gentleman from Mississippi.

Mr. LOTT. Mr. Speaker, I am sure that the distinguished member of the Rules Committee is very much concerned about the fact that we do not have a Budget Act yet this year, and we are now faced with the prospect of granting a whole number of waivers.

Would the gentleman support an effort in the future to get the Rules Committee to be very strict on these waivers and also include some explanation as to why it is being done?

Mr. MOAKLEY. I would like the gentleman from Mississippi to know that there have been certain amendments that had to be granted. I do not relish granting waivers in certain conditions. I would be glad to work with the gentleman and, in fact, the entire committee in the future, to see if we can tighten the amendment process as much as possible.

Mr. LOTT. I thank the gentleman for that.

Mr. MOAKLEY. Mr. Speaker, I have no further requests for time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PROVIDING FOR CONSIDERATION OF H.R. 1784, PANAMA CANAL COMMISSION AUTHORIZATION ACT, FISCAL YEAR 1986

Mr. MOAKLEY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 158 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 158

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1784) to authorize appropriations for fiscal year 1986 for the operation and maintenance of the Panama Canal, and for other purposes, and the first reading of the bill shall be dispensed with. After general debate, which shall be confined to the bill and to the amendment made in order by this resolution and which shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Merchant Marine and Fisheries, the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Merchant Marine and Fisheries now printed in the bill as an original bill for the purpose of amendment under the five-minute rule, each section of said substitute shall be considered as having been read, and all points of order against said substitute for failure to comply with the provisions of clause 7 of rule XVI and clause 5(a) of rule XXI are hereby waived. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore. The gentleman from Massachusetts [Mr. MOAKLEY] is recognized for 1 hour.

Mr. MOAKLEY. Mr. Speaker, for purposes of debate only, I yield 30 minutes to the gentleman from Mississippi [Mr. LOTT], pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 158 is an open rule providing for the consideration of H.R. 1784, the Panama Canal Commission authorization for fiscal year 1986. The rule provides for 1 hour of general debate to be equally divided and controlled by the chairman and ranking minority member of the Committee on Merchant Marine and Fisheries.

When the bill is considered for amendment under the 5-minute rule, House Resolution 158 provides that it shall be in order to consider the amendment in the nature of a substitute now printed in the bill as original text for the purpose of amendment and that each section of the substitute shall be considered as having been read. The rule further provides waivers of points of order against the substitute for failure to comply with the provisions of clause 7, rule XVI, the

germaneness rule, and clause 5, rule XXI, which prohibits appropriations in a legislative bill. Because certain provisions in the substitute reflect amendments adopted at the subcommittee and full committee level which are not germane to the bill as introduced, it is necessary to provide this waiver against the substitute. In addition, two committee amendments incorporated in the substitute also contain expanded uses of previously appropriated funds, thus necessitating the waiver of clause 5, rule XXI against the substitute.

The rule also provides that at the conclusion of the consideration of the bill for amendment, the committee shall rise and report the bill to the House with such amendments as may have been adopted and that any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the amendment in the nature of a substitute. Finally, House Resolution 158 provides that the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except for one motion to recommit with or without instructions.

Mr. Speaker, H.R. 1784 provides authorization for appropriations of \$436.8 million from the Panama Canal Commission Fund for operating and capital expenses of the Panama Canal Commission in fiscal year 1986. This authorization level is \$10 million less than requested by the administration, reflecting an amendment adopted by the subcommittee which provides for a direct payment of \$10 million to the general U.S. Treasury from those portions of canal revenues collected to pay interest on the U.S. investment in the canal rather than allowing those funds to be deposited in the Canal Commission Fund. The provisions of this subcommittee amendment were adopted by the House last week when H.R. 664 was agreed to under suspension of the rules. In addition, the bill restores certain benefits lost to U.S. citizen employees of the canal upon enactment of the Panama Canal Act of 1979; provides compensation for the nongovernment members of the Panama Canal Commission Board; and finally, deletes a 180-day congressional notice waiting period for property transfers from the Commission to the Republic of Panama.

Mr. Speaker, H.R. 1784 was reported unanimously by the Merchant Marine and Fisheries Committee. The rule recommended by the Committee on Rules is an open rule and was noncontroversial during our committee hearing. I commend the work of the Merchant Marine Committee in bringing this authorization to the floor prior to the May 15 authorization deadline and

for reporting a bill which enjoys such bipartisan support. Mr. Speaker, I urge adoption of the rule in order that the House may proceed to the consideration of H.R. 1784.

□ 1350

Mr. LOTT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 158 is an open rule designed to facilitate consideration of a 1-year authorization for the Panama Canal Commission. The rule contains only the waivers necessary in order to permit the bill from the Committee on Merchant Marine and Fisheries to go forward.

Under the provisions of this rule, the amendment reported from the Merchant Marine Committee will be the original text for the purpose of amendment under the 5-minute rule.

The rule provides a waiver of our germaneness rule, clause 7 of rule XVI, against the substitute. The rule also provides a waiver of our rule prohibiting appropriations language in a legislative bill, clause 5 of rule XXI, against the substitute.

Mr. Speaker, there was no controversy about this procedure or the substance of the legislation reported from the Merchant Marine Committee during the hearing conducted by the Rules Committee on Tuesday.

The waivers provided by this rule are necessary because the Committee on Merchant Marine adopted three amendments recommended by the Subcommittee on the Panama Canal, and one amendment at the full committee markup, that are not germane to the bill as introduced.

Mr. Speaker, it is my understanding that the amendments in question were offered by the gentleman from Texas [Mr. FIELDS]; the gentleman from California [Mr. SHUMWAY]; the gentleman from Washington [Mr. LOWRY]; and the gentleman from New York [Mr. CARNEY]; and that they all were unanimously approved during the committee markup.

Mr. Speaker, since enactment of the Panama Canal Act of 1979, the operation of the canal has been under the jurisdiction of the Panama Canal Commission. The canal itself remains of vital importance to U.S. commercial shipping, and to the flow of imports and exports for our Nation's citizens.

The bill made in order by this rule, H.R. 1784, authorizes \$436 million in appropriations from the Commission's fund for its activities in 1986.

In addition, the bill provides some very meaningful changes in benefits for the U.S. citizen employees of the Panama Canal Commission, dealing with health care, educational services, travel for vacation leave, and housing property transfers.

Mr. Speaker, I support this rule in order that the House may proceed to consider the legislation.

Mr. Speaker, I yield back the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I have no further requests for time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 1872, DEPARTMENT OF DEFENSE AUTHORIZATION ACT, 1986

Mr. FROST, from the Committee on Rules, submitted a privileged report (Rept. No. 99-88) on the resolution (H. Res. 169) providing for the consideration of the bill (H.R. 1872) to authorize appropriations for fiscal year 1986 for the Armed Forces for procurement, for research, development, test, and evaluation, for operation and maintenance, and for working capital funds, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes, which was referred to the House Calendar and ordered to be printed.

PANAMA CANAL COMMISSION AUTHORIZATION ACT, FISCAL YEAR 1986

The SPEAKER pro tempore. Pursuant to House Resolution 158 and rule XXIII, the Chair declares the house in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 1784.

□ 1356

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1784) to authorize appropriations for fiscal year 1986 for the operation and maintenance of the Panama Canal, and for other purposes, with Mr. LUKEN in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the first reading of the bill is dispensed with.

Under the rule, the gentleman from Washington [Mr. LOWRY] will be recognized for 30 minutes and the gentleman from Texas [Mr. FIELDS] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Washington [Mr. LOWRY].

Mr. LOWRY of Washington. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, on March 28, 1985, I introduced H.R. 1784, which authorizes appropriations for fiscal year 1986 for the operation and maintenance of the Panama Canal. This bill was co-sponsored by 13 other members of the

Subcommittee on Panama Canal/Outer Continental Shelf from both sides of the aisle.

The subcommittee marked up H.R. 1784 on April 3 of this year and unanimously supported the bill with three amendments. The first amendment, offered by the Honorable JACK FIELDS, ranking minority member of the subcommittee, reduced the administration request by \$10 million. This reduction corresponded with H.R. 664, a bill introduced by Mr. FIELDS, and passed by the House under suspension last Monday, which provides for a direct payment to the United States of \$10 million, representing the portion of canal revenues collected to pay interest on the United States' investment in the canal.

The second amendment was offered by Congressman SHUMWAY of California. His amendment provides for certain benefits to American employees of the Panama Canal Commission who lost a number of privileges in October 1984 due to the provisions of the Panama Canal Treaty of 1977. The benefits provided for in section 5 of H.R. 1784 include health care, educational services, and vacation leave travel.

The final amendment was offered by myself and provided an exception to section 1102(b) of the Panama Canal Act of 1979 by allowing non-Government-paid members of the Board of the Panama Canal Commission to receive an allowance for each day during which they are traveling to and from and attending meetings of the board. All three amendments were unanimously approved.

On April 16, the Merchant Marine and Fisheries Committee unanimously approved H.R. 1784 with an amendment in the nature of a substitute incorporating amendments adopted by the subcommittee, along with one full committee amendment offered by Congressman BILL CARNEY of New York. Mr. CARNEY's amendment deleted a 180-day congressional notice waiting period for property transfers from the Commission. The President must still submit a report to Congress with the details of the property transfers, but without the 180-day notice period currently required. The amendment was unanimously approved.

Mr. Chairman, the Panama Canal Commission is unique in that it has its own specific fund in the Treasury. The intent of the Panama Canal Act of 1979 was to ensure that the Canal operate at no cost to the U.S. taxpayers, and it has an unblemished record of meeting that mandate. The canal must operate within a balanced budget and can only be appropriated the amount that it estimates will be collected as revenue by tolls and other fees levied on ships transiting the canal. Tolls are set to recover the costs of operating

and maintaining the canal and are paid into the Panama Canal Commission Fund established in the U.S. Treasury. The Chairman of the Panama Canal Commission Board, the Honorable Bill Gianelli, has expressed his confidence that no increases in tolls are expected through fiscal year 1986.

H.R. 1784 sets an overall funding level of \$436,784,000, of which \$26,500,000 is designated for capital improvements, and shall remain available until expended.

Passage of this authorization bill would permit the Panama Canal Commission to continue operating the canal efficiently and smoothly, thus benefiting the foreign commerce and national security of the United States.

I would especially like to congratulate the gentleman from Texas, JACK FIELDS, the ranking minority member of the subcommittee for his leadership and hard work on behalf of this authorizing legislation; and the gentleman from California, NORM SHUMWAY, who has demonstrated his concern for the morale and welfare of the American citizens who are employed in Panama by the Panama Canal Commission.

Mr. Chairman, I join with my colleagues on both sides of the aisle in urging passage of H.R. 1784 which was unanimously passed out of the Committee on Merchant Marine and Fisheries.

□ 1400

Mr. FIELDS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of H.R. 1784 and compliment our new subcommittee chairman, Mr. LOWRY of Washington, for his leadership, dedication, and skill in crafting such a fine piece of legislation.

While the House of Representatives has on two separate occasions approved authorizing bills for the Panama Canal Commission, no authorizing legislation has been signed into law since the Commission was created in 1979.

Mr. Chairman, I am confident that this year we can reverse this trend because H.R. 1784 is a bill that can and should be supported by our colleagues.

As I indicated during our subcommittee hearing, I support an authorizing bill because it is important to the people of this Nation that we ensure that the Panama Canal remains an open and efficient waterway.

As a representative of our Nation's third largest port, the Port of Houston, I have a deep appreciation of the importance of the Panama Canal to the international shipping community. It has been estimated that nearly 70 percent of the ocean-going transits through the canal either originate or come from one of our U.S. ports. In many cases these are ports which are

located, like Houston, along the gulf coast of the United States.

While there are many Members, including myself, who still have very negative feelings and reservations about the Panama Canal Treaties, we must recognize that the battle over those treaties is over and that the United States has a strategic interest in the Panama Canal.

With the passage of this authorizing legislation, we can ensure that the Panama Canal Commission will continue to operate the canal, at no expense to our taxpayers, smoothly and efficiently in the coming fiscal year.

The Panama Canal Commission is a unique Government agency which is prohibited by law from borrowing money or making a profit which would have to be paid to the Republic of Panama. In addition, the Panama Canal Act of 1979, Public Law 96-70, requires that canal tolls and other revenues cover all of the operating expenses of the Panama Canal Commission.

Mr. Chairman, during consideration of H.R. 1784 several amendments were offered and adopted to improve this proposal.

The first of these amendments, which I authored, reduce the operating budget of the Panama Canal Commission by \$10 million. This amendment implemented the provisions of H.R. 664, a bill I have sponsored, which directs that the interest payment on our investment in the canal, which has been estimated at \$10 million a year, be paid directly to the general fund of the U.S. Treasury.

Without going into great detail, let me just say that H.R. 664 corrects a serious flaw that exists in the Panama Canal Act of 1979.

Unfortunately, because of certain language contained in Public Law 96-70, our yearly interest payments have been deposited in the Panama Canal Commission Fund instead of the general fund of the U.S. Treasury.

As a result, the Federal Government has been unable to utilize these funds to reduce the deficit, and the level of our investment in the canal has been reduced by some \$53.6 million.

H.R. 664 not only corrects this interest problem but it ensures that there will be no further erosion in our investment base.

Mr. Chairman, a second amendment was offered by our distinguished colleague from New York, Congressman BILL CARNEY. This amendment eliminated the 180-day waiting period which is now required before the Panama Canal Commission can transfer certain excess housing units to the Republic of Panama.

This amendment responds to various allegations of vandalism, looting, and unauthorized occupation of these housing facilities that has occurred during the existing statutory waiting

period. It has been estimated that this amendment will save the Panama Canal Commission some \$104,000 in fiscal year 1986 alone.

A third amendment was offered by our distinguished colleague from California, Congressman NORM SHUMWAY. This excellent amendment, which I strongly supported, implements the equity compensation package for U.S. employees of the Panama Canal Commission.

The recommendations contained within the PCC compensation package are reasonable and fair. While they will not fully offset the loss of commissary, post exchange, and APO postal privileges, the incorporation of this amendment within H.R. 1784 is a very positive benefit for the hard-working and dedicated U.S. employees of the Panama Canal Commission.

Finally, the chairman of the subcommittee offered an amendment which provided long overdue compensation for non-Government members of the PCC Board of Directors for each day during which they are either traveling or attending meetings of the board. This amendment is fully consistent with the way most Federal commissions and boards operate.

Mr. Chairman, because of our committee's action and specifically my amendment, H.R. 1784 is \$10 million less than the administration's budget request.

H.R. 1784 is a good piece of legislation and I again compliment our subcommittee chairman, Mr. LOWRY, for his leadership, for his willingness to work with all members of our committee, and for bringing this bill to the House of Representatives in such a timely manner.

I would urge my colleagues to join with me in supporting this authorization bill.

Mr. Chairman, I reserve the balance of my time.

Mr. LOWRY of Washington. Mr. Chairman, I have no further requests for time, and I reserve the balance of my time.

Mr. FIELDS. Mr. Chairman, I yield 3 minutes to the ranking minority member of the full Committee on Merchant Marine and Fisheries, the gentleman from New York [Mr. LENT].

Mr. LENT. I thank the gentleman for yielding this time to me.

Mr. Chairman, I rise in support of H.R. 1784, the fiscal year 1986 Panama Canal authorization bill.

As the former ranking minority member of the Subcommittee on Panama Canal/Outer Continental Shelf, and as the ranking minority member of the House Committee on Merchant Marine and Fisheries, I am fully aware of the issues surrounding the Panama Canal legislation. For this reason, I would like to commend the chairman of the subcommittee on the

Panama Canal and Outer Continental Shelf, the gentleman from Washington [Mr. Lowry], and the ranking minority member, the gentleman from Texas [Mr. Fields], for their judicious action in marking up and reporting this bill.

While there were four amendments that were adopted in committee to the bill, there were no dissenting voices on the legislation and the bill was overwhelmingly reported by both the subcommittee and the full committee.

Mr. Chairman, H.R. 1784, as amended, is supported by the administration, and I urge my colleagues to join me in voting for its passage.

Mr. FIELDS. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. Shumway].

Mr. SHUMWAY. I thank the gentleman for yielding this time to me.

Mr. Chairman, as we all know, the Panama Canal Treaty terminated the U.S. commissary, PX, and APO mailing system privileges which our 900 U.S. Canal Commission employees have historically enjoyed. This termination, which took place last September 30 and the anticipation of this loss, has caused a great deal of anxiety for our U.S. employees. In so doing, our work force's morale has declined and, in many instances, the loss of these privileges has tempted our employees to leave their service in Panama.

The strategic importance of Panama and the canal to our country's national and commercial security is without question. As a result, we must do everything we can to both ensure that our highly skilled U.S. work force remains in place to help operate the canal and to make certain that this loss of privileges does not threaten the existence of our work force. The Merchant Marine and Fisheries Committee and the Congress have recognized this need in the past. For example, last year we passed the Panama Canal authorization bill which included a section specifically authorizing such "compensation as is determined necessary to offset the loss of services."

In response to this legislation, the Panama Canal Commission has put together a package of benefits which is designed to help offset this loss of privileges. My amendment, which I offered and which was accepted by the committee, gives the Panama Canal Commission the authority to implement much of this compensation package. Specifically, my amendment:

Increases the educational travel stateside—from one trip to two—for dependents of a U.S. employee of the Panama Canal Commission;

Provides the authority for the Commission to pay the expenses of vacation leave travel for a U.S. employee and his family from the employee's post in Panama to his residence in the United States;

Allows for the payment of health care services for elderly or disabled persons if they were eligible to receive such benefits prior to the effective date of the Panama Canal Act of 1979; and, finally,

Allows for the payment for educational services provided by schools in the Republic of Panama, which are not operated by the United States, to employees of the Commission who were receiving such services prior to the effective date of the Panama Canal Act of 1979.

Mr. Chairman, the estimated cost of these specific benefits to the Panama Canal Commission is approximately \$1.65 million. However, it is important to note that this money comes from canal toll receipts, not from the General Treasury. I am also pleased to say that the administration officially supports this compensation package.

Mr. Chairman, I have recently been to Panama and observed, first hand, the positive effect that the announcement of this compensation package has had on our U.S. employees and am confident in saying that it will—and to a large degree already has—helped our national interest by helping our U.S. citizen employees. As a result, I strongly urge the retention of this amendment in the bill.

□ 1410

Mr. LOWRY of Washington. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. FIELDS. Mr. Chairman, I have one further request for time. I yield 2 minutes to the gentleman from Alabama [Mr. Callahan].

Mr. CALLAHAN. Mr. Chairman, I rise in support of the bill.

I know there are lingering deep feelings that the United States was wrong in ratifying the Panama Canal Treaties and giving up this strategic waterway. I, for one, feel strongly that we made a serious mistake. However, the treaties are a reality and we should not confuse this authorization bill with any perceived support of the treaties that are now past history.

The funds authorized by H.R. 1784 will not be drawn from general revenues but from tolls paid to the Panama Canal Commission. It is in the United States' best interest to see that the canal is properly maintained and operated. Some 70 percent of the traffic through the Panama Canal is destined to or traveling from U.S. ports. The canal's strategic importance to our military vessels is unquestionable.

I urge my colleagues to support America's interests in the canal and vote for H.R. 1784.

Mrs. BENTLEY. Mr. Chairman, I rise in support of H.R. 1784, the Panama Canal fiscal year 1986 author-

ization bill, and urge my colleagues to vote for final passage.

I would like to point out to my colleagues that not only is the Panama Canal of great importance militarily to the United States because of the passage of our military vessels, but that over 70 percent of the traffic through the canal is either bound for, or traveling from, U.S. ports. I would also like to point out to my colleagues from coastal States in the Gulf of Mexico and the east coast that further expansion of the capacity of the canal, which is currently undergoing a three-nation study, could result in significant increased traffic for our ports. For these reasons, the continued maintenance and smooth operation of the canal is in our vested interest.

The authorized appropriation of \$436.8 million contained in H.R. 1784 for fiscal year 1986 is based solely on tolls and other fees collected by the Panama Canal Commission from its customers. This figure is \$10 million less than requested by the administration because of a bill introduced by my friend from Texas [Mr. Fields]. His bill ensures that the interest payment on the U.S. investment in the Panama Canal of \$10 million will automatically be deposited annually into the U.S. Treasury. It is not often that Congress passes legislation that increases revenues to the U.S. Treasury without increasing taxes.

Mr. Chairman, H.R. 1784 has been thoroughly studied by the Panama Canal/OCS Subcommittee of which I am a member, as well as by the full Merchant Marine and Fisheries Committee, and there was not a dissenting voice during its consideration.

The administration does not oppose this bill, and I urge my colleagues to join with me in voting for passage of H.R. 1784.

● Mr. FRANKLIN. Mr. Chairman, I rise in support of H.R. 1784, the Panama Canal authorization bill. I have joined my colleague from Washington, the distinguished chairman of the subcommittee [Mr. Lowry] as a cosponsor of the bill, and I commend the gentleman for the expeditious manner in which the bill has been brought to the House.

In light of the ever-present deficit, I must point out to my colleagues that this authorization requires zero outlay from the Federal Treasury. According to the Panama Canal Act of 1979, the canal operates at no cost to the American taxpayer. Congress' role is to authorize the appropriation for the canal, but all of the revenues to fund that appropriation come from the tolls and fees that are collected from the ships who use the facility. Therefore, enactment of this legislation has no budgetary impact whatsoever.

Being from Mississippi, I recognize the special importance the canal has

to my State and to all of the ports along the gulf coast. In fiscal year 1984, over 50 percent of all ships that transited the canal were either departing from or destined to U.S. ports. These ships carry cargo ranging from iron and steel, crude oil, and food products to raw agricultural materials. The benefits realized from this trade are felt throughout the gulf coast region and the entire Nation.

I had the pleasure of visiting the Canal Zone for the first time late last year, and I was very impressed by the smooth and efficient operation of the canal as well as the relationship that exists between our American employees and the native Panamanians. It is imperative that these desirable conditions continue. An ongoing favorable working relationship with Panama is essential for economic as well as strategic considerations.

The canal must be kept in top working condition both for its day-to-day operation and for the important role it plays in the strategic defense of this country. The authorization in this legislation will allow the Panama Canal Commission to make many repairs and improvements that are vital to both interests.

Mr. Chairman, again I commend the chairman of the subcommittee [Mr. LOWRY] and the ranking minority member of the subcommittee [JACK FIELDS] for their work on this legislation and urge prompt approval of H.R. 1784.

Mr. FIELDS. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The Chair understands that the gentleman from Washington [Mr. LOWRY] has yielded back the balance of his time.

Pursuant to the rule, the committee amendment in the nature of a substitute now printed in the reported bill shall be considered as an original bill for the purpose of amendment, and each section shall be considered as having been read.

The Clerk will designate section 1.

The text of section 1 is as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Panama Canal Commission Authorization Act, Fiscal Year 1986".

Mr. LOWRY of Washington. Mr. Chairman, I ask unanimous consent that the remainder of the committee amendment in the nature of a substitute be printed in the RECORD and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

The text of the remainder of the committee amendment in the nature of a substitute, beginning with section 2, is as follows:

SEC. 2. OPERATING EXPENSES.

There is authorized to be appropriated from the Panama Canal Commission Fund to the Panama Canal Commission (hereafter in this Act referred to as the "Commission") for the fiscal year beginning October 1, 1985, not more than \$436,748,000, for necessary expenses of the Commission incurred under the Panama Canal Act of 1979 (Public Law 96-70; 22 U.S.C. 3601 et seq.), including expenses for—

(1) the hire of passenger motor vehicles and aircraft;

(2) the purchase of passenger motor vehicles as may be necessary for fiscal year 1986, the number and price of which may not exceed the amount provided in appropriation Acts; except that large heavy duty passenger sedans used to transport employees of the Commission across the Isthmus of Panama may be purchased for the first year 1986 without regard to price limitations set forth in applicable regulations of any department or agency of the United States;

(3) official receptions and representation expenses, except that not more than \$33,000 may be made available for such expenses, of which (A) not more than \$8,000 may be made available for such expenses of the Supervisory Board of the Commission, and (B) not more than \$25,000 may be made available for such expenses of the Administrator of the Commission;

(4) the procurement of expert and consultant services as provided in section 3109 of title 5, United States Code;

(5) a residence for the Administrator of the Commission;

(6) uniforms, or allowances therefor, as authorized by sections 5901 and 5902 of title 5, United States Code;

(7) disbursements by the Administrator of the Commission for employee recreation and community projects; and

(8) the operation of guide services.

SEC. 3. CAPITAL OUTLAY.

Of any funds appropriated pursuant to section 2 of this Act, not more than \$26,500,000 (which is authorized to remain available until expended) may be made available for the acquisition, construction, replacement, and improvement of facilities, structures, and equipment required by the Commission.

SEC. 4. AUTHORIZATION OF ADDITIONAL APPROPRIATIONS.

In addition to the amount authorized to be appropriated by section 2 of this Act, there are authorized to be appropriated to the Commission for the fiscal year 1986 such amounts may be necessary for—

(1) increases in salary, pay, retirement, and other employee benefits provided by law;

(2) covering payments to Panama under paragraph 4(a) of article XIII of the Panama Canal Treaty of 1977, as provided by section 1341(a) of the Panama Canal Act of 1979 (22 U.S.C. 3751(a)); and

(3) increased costs for fuel.

SEC. 5. BENEFITS FOR CERTAIN EMPLOYEES.

(a) EDUCATIONAL TRAVEL BENEFITS.—Section 1207(b)(2) of the Panama Canal Act of 1979 (22 U.S.C. 3647(b)(2)) is amended by striking out "one round trip" and inserting in lieu thereof "two round trips".

(b) TRAVEL AND TRANSPORTATION EXPENSES.—

(1) EXPENSES ALLOWABLE.—Subchapter I of chapter 2 of title I of the Panama Canal Act of 1979 (22 U.S.C. 3641 et seq.) is amended by adding at the end thereof the following:

"TRAVEL AND TRANSPORTATION EXPENSES

"Sec. 1210. The Commission may pay the expenses of vacation leave travel for an employee of the Commission to whom section 1206 of this Act applies and for transportation of employee's family from the employee's post of duty in Panama to the place of the employee's actual residence at the time of appointment to the post of duty. The authorization of expenses under this section shall be in accordance with subchapter II of chapter 57 of title 5, United States Code, and the regulations issued under that subchapter, except that the Commission may prescribe required periods of service notwithstanding section 5722 of title 5, United States Code, and the regulations issued under subchapter II of chapter 57 of such title."

(2) CLERICAL AMENDMENT.—The table of contents of the Panama Canal Act of 1979 is amended by inserting after the item relating to section 1209 the following:

"1210. Travel and transportation expenses."

(c) USE OF APPROPRIATIONS FOR HEALTH CARE AND EDUCATIONAL SERVICES.—Section 1321(e) of the Panama Canal Act of 1979 (22 U.S.C. 3731(e)) is amended to read as follows:

"(e) The appropriations or funds of the Commission, or of any other department or agency of the United States conducting operations in the Republic of Panama, shall be available to defray the cost of—

"(1) health care services to elderly or disabled persons who were eligible to receive such services before the effective date of this Act, less amounts payable by such persons, and

(2) educational services provided by schools in the Republic of Panama, which are not operated by the United States, to employees of the Commission who are citizens of the United States and persons who were receiving such services at the expense of the Canal Zone Government before the effective date of this Act."

SEC. 6. COMPENSATION FOR NON-GOVERNMENT BOARD MEMBERS.

Section 1102(b) of the Panama Canal Act of 1979 (22 U.S.C. 3612(b)) is amended in the last sentence by inserting immediately before the period at the end thereof the following: "except that, in addition to such travel or transportation expenses, members of the Board who hold no other office with either the Government of the United States or the Republic of Panama for which they receive pay are authorized to be compensated at the daily equivalent of the annual rate of basic pay in effect for grade GS-18 of the General Schedule under section 5332 of title 5, United States Code, for each day during which they are traveling to or from or attending meetings of the Board as provided in subsection (c) of this section".

SEC. 7. NOTIFICATION OF TRANSFER OF PROPERTY.

Section 1504(b) of the Panama Canal Act of 1979 (22 U.S.C. 3784(b)) is amended in the second sentence by striking out "At least 180 days before" and inserting in lieu thereof "Before".

AMENDMENT OFFERED BY MR. WALKER

Mr. WALKER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WALKER: At the end of the bill add the following new section:

SEC. 8. It is the sense of Congress that the fiscal year 1986 expenditures of the Panama

Canal Commission be frozen at the levels approved for fiscal year 1985 (\$429,846,000) and that all possible steps be taken to assure that any savings resulting from this action accrue to the general funds of the Treasury as miscellaneous receipts.

Mr. WALKER. Mr. Chairman, for want of a better title, this is a freeze amendment, but it is a complicated freeze amendment, more so than we have faced in the past.

The problem with this particular bill, as I am now to understand it, is that if we froze the appropriation at the authorization level, at last year's 1985 level, as such with a straight amendment, we would end up giving \$7 million in essence to the Government of Panama. That is not this gentleman's intent. I want to shave a little bit of money off the spending that the Federal Government does and try to give the taxpayers of this country a break.

So we have drafted the amendment as a sense-of-the-Congress kind of thing which is aimed at trying to get around the problem that evidently the treaties give to us here. There were a lot of us who thought the treaties were not such a good idea back several years ago when they were passed. When I run into complications like the one I found on the floor today when I attempted to offer a mere freeze, I become convinced that we were right at that point, that these treaties never should have been passed. And here is a good reason why, because what it amounts to is if we save money, if we in the Congress save some money here, we do not get the advantage of it; we give the money to Panama. That is crazy. We ought to be doing something to make certain that if we can save some money in this Congress out of the tolls being collected, we get the benefit of those savings and the taxpayer is the one that gets helped because of it. But we cannot do that on the floor this afternoon. I cannot offer an amendment that does that because that is a part of the treaties.

So what this particular amendment says is that we are expressing our sense that that is where the authorization level should be, at last year's freeze level, at \$429 million, and that all steps should be taken to see to it that if we implement that level, we are in fact going to get the money back into the general Treasury and, therefore, help American taxpayers.

I have talked to the gentleman from Washington about this and I have talked to the gentleman from Texas about it, and both of them have told me—and I think it is absolutely right—that we are probably going to have to amend the treaty in order to carry out this amendment. I understand that, and I am fully prepared to have that done, I would tell both the gentleman from Washington and the gentleman from Texas. As a matter of fact, there are a lot of conservatives who would

like to reopen the question of the treaties, and I think maybe it ought to be done, and if this is one vehicle aimed at doing that, I think that is just fine. If we can do it by the freeze and we can reopen the treaties with the idea of saving the American taxpayer some money, I think that is exactly the direction we ought to go.

But I think it is important that in this bill we address ourselves to the issue of a freeze in some way. That is what this amendment is aimed at doing, because we have come out here with bill after bill after bill and we have said, "Well, we are going to freeze." Then all of a sudden along comes the Panama Canal and we say, "Oh, no, that is complicated. We can't do it on that one."

I just do not buy that. I do not buy that, and I am personally not willing to tell my constituents or tell the American people that we can freeze money for NASA, we can freeze money for NSF, and we can freeze money here and we can freeze money there, but we cannot do it when it comes to the Panama Canal because we have some other things to consider there. I think at the very least we ought to say it is the sense of the Congress that we put in a freeze level and then take those steps that are necessary, and if that involves the President and the State Department going to Panama and saying that they have got that kind of command from Congress, then I think we ought to take that step, because if we are going to commit ourselves to a freeze, we ought to commit ourselves to a freeze, period, and not a freeze that is there when we do the easy things, but when it gets tough and it gets complicated, we back off.

So, Mr. Chairman, what we are doing with this amendment is saying that we should try it and we should take the steps that are necessary in order to try to implement a freeze at 1985 spending levels.

Mr. LENT. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I am glad to yield to the gentleman from New York.

□ 1420

Mr. LENT. Mr. Chairman, I thank the gentleman for yielding.

I have read the gentleman's amendment. It seems to be harmless enough. I just would like to get assurances from the gentleman that if the amendment is adopted, it is not the gentleman's intention that any of the funds that might be saved as a result thereof would go to the Government of Panama, they would stay in the U.S. Treasury.

Mr. WALKER. Well, I want to assure the gentleman that that is absolutely correct. That is what this amendment is attempting to do.

It is my understanding that if we would have passed a mere freeze

amendment, that the result of that could have been to give almost a bonus payment to the Government of Panama of \$7 million. I do not want to do that.

I have drafted this amendment in a way to assure that if we are able to achieve this freeze, it is done in such a way that the money comes into the general fund of the U.S. Treasury and therefore benefits American taxpayers.

Mr. LOWRY of Washington. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I would be glad to yield to the gentleman from Washington.

Mr. LOWRY of Washington. Mr. Chairman, the gentleman may be sincere in what he is saying to the ranking minority member from New York. There is no doubt but what it would result in \$7 million more going to Panama and could not possibly go to the U.S. Treasury under the treaty.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

(By unanimous consent, Mr. WALKER was allowed to proceed for 2 additional minutes.)

Mr. WALKER. Well, I would say to the gentleman that is precisely the reason for stating the amendment the way it is. We say that is the sense of Congress that the expenditure level be frozen. It does not freeze them as such because it simply expresses that that is our sense and then it says that all possible steps be taken to ensure that any savings resulting from this action accrue to the general fund of the Treasury for miscellaneous receipts.

Those two are directly tied together in a sense-of-the-Congress type of approach.

I would say to the gentleman that we would expect that the gentleman's committee and the Department of State, the President and everybody else, would seek to implement this amendment as stated, that we are going to achieve a freeze level that in fact gives the benefits to the American taxpayers and not to Panama. That is what we are trying to achieve here.

Mr. LOWRY of Washington. Mr. Chairman, will the gentleman yield further?

Mr. WALKER. I am glad to yield to the gentleman.

Mr. LOWRY of Washington. Mr. Chairman, I thank the gentleman for yielding.

Would the gentleman agree that the only way that could be done would be that the President renegotiate the Panama Canal Treaty, because under the existing Panama Canal Treaty this money would have to go to Panama, so in essence what the sense of Congress is doing is telling the President of the United States to go to Central America, renegotiate the Panama Canal

Treaty, which is something that the Panamanians would strongly oppose; so that this sense of Congress, to go along, that is what the gentleman is asking to do.

The gentleman is asking the President to go and make that negotiation; is that correct? Does the gentleman agree? First of all, can you change treaties without the President doing that?

Mr. WALKER. Well, Mr. Chairman, if the gentleman will allow me to answer, the President does not have to do anything about the whole Panama Canal Treaty. All he would have to renegotiate is that section which gives bonus payments to the Government of Panama. It seems to me that that is one of those things that we might want to take a look at.

We are faced with \$200 billion worth of deficits. Why should we be a party to a treaty that is taking receipts that otherwise might come to the Federal Government and give bonus payments to the Government of Panama with them?

I think that some of that money ought to be coming back to the American taxpayers and if the President is instructed by Congress to negotiate in that manner, I think that is an extremely responsible way for Congress to proceed.

Mr. LOWRY of Washington. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, regardless of what is stated on that side of the aisle, section 13(c) of the Panama Canal Treaty specifically says that revenues from the tolls and fees—that is the only place they come from—from the tolls and fees that are in excess, go into a contingency that up to a maximum of \$10 million will be paid directly to the Government of Panama.

So the effect of the amendment of the gentleman from Pennsylvania has only one effect, which is to increase the foreign aid of this country to Panama from the \$500 million we are presently giving, by at least another \$7 million. That is simply it.

Now, the gentleman states that the President may want to renegotiate the treaty. Well, it is pretty obvious when you look at the elements of the treaty, that the contingency payment to Panama was very important to Panama and we really would be asking the President of the United States to accomplish something that is absolutely impossible to accomplish and even more important, is wrong.

So what the effect of the amendment of the gentleman from Pennsylvania does is to take the tolls and the fees—there is not one dime of U.S. taxpayer money involvement—take the tolls and fees which are supposed to be used to maintain the efficiency of the Panama Canal; 80 percent of the traffic which originates or ends in U.S.

ports—take that money and instead of using it for the maintenance of the canal, pay it to Panama.

Now, that is the only effect of the gentleman's amendment. I strongly urge the body to reject the gentleman's amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. WALKER].

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. WALKER. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently, a quorum is not present. Pursuant to the provisions of clause 2, rule XXIII, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device, if ordered, will be taken on the pending question following the quorum call. Members will record their presence by electronic device.

The call was taken by electronic device.

The following Members responded to their names:

[Roll No. 109]

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Armed
Aspin
Atkins
AuCoin
Badham
Barnard
Barnes
Bartlett
Barton
Bateman
Bates
Bedell
Bellenson
Bennett
Bereuter
Berman
Bevill
Blaggi
Bilirakis
Billey
Boehlert
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boulter
Boxer
Breaux
Brooks
Broomfield
Brown (CA)
Brown (CO)
Broyhill
Bruce
Bryant
Burton (CA)
Burton (IN)
Bustamante
Byron
Callahan
Campbell

Carney
Carper
Carr
Chandler
Chappell
Chapple
Cheney
Clay
Clinger
Coats
Cobey
Coble
Coelho
Coleman (MO)
Coleman (TX)
Collins
Combest
Conte
Cooper
Coughlin
Courtner
Coyne
Craig
Crane
Crockett
Daniel
Dannemeyer
Darden
Daschle
Daub
Davis
de la Garza
Delay
Dellums
Derrick
DeWine
Dickinson
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dornan (CA)
Dowdy
Downey
Dreier
Duncan
Durbin
Dwyer
Dymally
Dyson
Early

Eckart (OH)
Eckert (NY)
Edgar
Edwards (CA)
Emerson
Erdreich
Evans (IA)
Fascell
Fawell
Fazio
Feighan
Fiedler
Fields
Fish
Flippo
Florino
Foglietta
Foley
Ford (TN)
Fowler
Frank
Franklin
Frost
Fuqua
Gallo
Garcia
Gaydos
Gedden
Gekas
Gephardt
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Gradison
Gray (IL)
Gray (PA)
Green
Gregg
Grotberg
Guarini
Gunderson
Hall (OH)
Hall, Ralph
Hall, Sam
Hamilton
Hammerschmidt
Hansen
Hartnett
Hatcher

Hawkins
Hayes
Hefner
Heftel
Henry
Hertel
Hiller
Hillis
Hopkins
Horton
Howard
Hoyer
Hubbard
Hughes
Hunter
Hutto
Hyde
Ireland
Jacobs
Jeffords
Jenkins
Johnson
Jones (NC)
Jones (OK)
Jones (TN)
Kanjorski
Kaptur
Kasich
Kastenmeier
Kemp
Kennelly
Kildee
Kindness
Kleczka
Kolbe
Kolter
Kostmayer
Kramer
LaFalce
Lagomarsino
Lantos
Latta
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lightfoot
Lipinski
Livingston
Lloyd
Loeffler
Long
Lott
Lowery (CA)
Lowry (WA)
Lujan
Lukens
Lundine
Lungren
Mack
MacKay
Madigan
Manton
Markay
Marlenee
Martin (IL)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCain
McCandless
McCloskey
McCollum
McCurdy
McDade
McEwen

McGrath
McHugh
McKernan
McKinney
McMillan
Meyers
Mica
Michel
Mikulski
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Mitchell
Moakley
Mollinari
Molloy
Monson
Montgomery
Moody
Moore
Moorhead
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Natcher
Neal
Nelson
Nichols
Nielsen
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens
Oxley
Packard
Panetta
Parris
Pashayan
Pease
Penny
Perkins
Petri
Pickle
Porter
Price
Pursell
Quillen
Rangel
Ray
Regula
Reid
Richardson
Ridge
Rinaldo
Ritter
Robinson
Rodino
Roe
Roemer
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Rudd
Russo
Sabo
Savage
Saxton
Schaefer
Scheuer
Schneider
Schroeder
Schuette

Schulze
Schumer
Sensenbrenner
Sharp
Shaw
Shelby
Shumway
Shuster
Sikorski
Siljander
Sisisky
Skeen
Skelton
Slattery
Slaughter
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NH)
Smith (NJ)
Smith, Denny
Smith, Robert
Snowe
Snyder
Solarz
Spence
Spratt
St Germain
Staggers
Stallings
Stangeland
Stenholm
Stokes
Strang
Stratton
Studds
Stump
Sundquist
Sweeney
Swift
Swindall
Synar
Tallon
Tauke
Tausin
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Walker
Watkins
Weber
Weiss
Wheat
Whitehurst
Whitley
Whittaker
Williams
Wilson
Wirth
Wise
Wolf
Wolpe
Wortley
Wright
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)
Young (MO)
Zschau

□ 1440

The CHAIRMAN. Four hundred eleven Members have answered to their names, a quorum is present, and the Committee will resume its business.

RECORDED VOTE

The CHAIRMAN. The pending business is the demand of the gentleman from Pennsylvania [Mr. WALKER] for a recorded vote. Five minutes will be allowed for the vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 241, noes 173, not voting 20, as follows:

[Roll No. 110]

AYES—241

Andrews	Gray (IL)	Parris
Applegate	Gregg	Pashayan
Archer	Grotberg	Penny
Army	Hall, Ralph	Perkins
Badham	Hall, Sam	Petri
Barnard	Hammerschmidt	Porter
Bartlett	Hansen	Pursell
Barton	Hartnett	Quillen
Bateman	Hefner	Rangel
Bates	Heftel	Ray
Bennett	Hendon	Regula
Bereuter	Henry	Richardson
Bevill	Hiller	Ridge
Bilirakis	Hillis	Rinaldo
Bliley	Hopkins	Ritter
Boehlert	Horton	Roe
Boner (TN)	Hunter	Roemer
Boulter	Hutto	Rogers
Breaux	Ireland	Roth
Broomfield	Jenkins	Roukema
Brown (CA)	Johnson	Rowland (CT)
Brown (CO)	Jones (TN)	Rudd
Broyhill	Kanjorski	Saxton
Bruce	Kasich	Schaefer
Burton (IN)	Kemp	Schneider
Byron	Kindness	Schuetz
Callahan	Koibe	Schulze
Campbell	Kolter	Sensenbrenner
Carney	Kramer	Shaw
Carr	Lagomarsino	Shelby
Chapple	Latta	Shuster
Cheney	Leach (IA)	Sikorski
Clinger	Leath (TX)	Siljander
Coats	Lent	Sisisky
Cobey	Lewis (CA)	Skeen
Coble	Lewis (FL)	Skeltan
Coleman (MO)	Lightfoot	Slattery
Combest	Livingston	Slaughter
Conte	Lloyd	Smith (FL)
Coughlin	Loeffler	Smith (NE)
Courter	Lott	Smith (NH)
Craig	Lowery (CA)	Smith (NJ)
Crane	Lujan	Smith, Denny
Daniel	Lungren	Smith, Robert
Dannemeyer	Mack	Snowe
Daschle	Madigan	Snyder
Daub	Marlenee	Spence
Davis	Martin (IL)	Staggers
Delay	Martin (NY)	Stangeland
DeWine	Mazzoli	Stenholm
Dickinson	McCain	Strang
DioGuardi	McCandless	Stratton
Dorgan (ND)	McCollum	Stump
Dornan (CA)	McDade	Sundquist
Dowdy	McEwen	Sweeney
Dreier	McGrath	Swindall
Duncan	McKernan	Tauke
Dyson	McKinney	Taylor
Eckart (OH)	McMillan	Thomas (CA)
Eckert (NY)	Meyers	Torricelli
Emerson	Mica	Traffant
Erdreich	Michel	Traxler
Evans (IA)	Miller (OH)	Valentine
Fawell	Molinari	Vander Jagt
Feighan	Mollohan	Volkmer
Fiedler	Monson	Vucanovich
Fields	Montgomery	Walker
Fish	Moore	Weber
Flippo	Moorhead	Whitehurst
Fowler	Morrison (WA)	Whitley
Franklin	Mrazek	Whittaker
Gallo	Murphy	Wolf
Gaydos	Myers	Wortley
Gekas	Natcher	Wyden
Gibbons	Neal	Wylie
Gilman	Nelson	Yatron
Gingrich	Nichols	Young (AK)
Glickman	Nielson	Young (FL)
Goodling	Oakar	Zschau
Gordon	Oxley	
Gradison	Packard	

NOES—173

Ackerman	Frank	Moakley
Akaka	Frost	Moody
Alexander	Fuqua	Morrison (CT)
Anderson	Garcia	Murtha
Annunzio	Gejdenson	Nowak
Anthony	Gephardt	Oberstar
Aspin	Gonzalez	Obey
Atkins	Gray (PA)	Olin
AuCoin	Green	Ortiz
Barnes	Guarini	Owens
Bedell	Gunderson	Panetta
Beilenson	Hall (OH)	Pease
Berman	Hamilton	Pickle
Biaggi	Hatcher	Price
Boggs	Hawkins	Reid
Boland	Hayes	Robinson
Bonior (MI)	Hertel	Rodino
Bonker	Howard	Rose
Borski	Hoyer	Rostenkowski
Bosco	Hubbard	Rowland (GA)
Boucher	Hughes	Roybal
Boxer	Hyde	Russo
Brooks	Jacobs	Sabo
Bryant	Jeffords	Savage
Burton (CA)	Jones (NC)	Scheuer
Bustamante	Jones (OK)	Schroeder
Carper	Kaptur	Schumer
Chandler	Kastenmeier	Sharp
Chappell	Kennelly	Shumway
Clay	Kildee	Smith (IA)
Coelho	Klecza	Solarz
Coleman (TX)	Kostmayer	Spratt
Collins	LaFalce	St Germain
Cooper	Lantos	Stallings
Coyne	Lehman (CA)	Stark
Crockett	Lehman (FL)	Stokes
Darden	Leland	Studds
de la Garza	Levin (MI)	Swift
Dellums	Levine (CA)	Synar
Derrick	Lipinski	Tallon
Dicks	Long	Tauzin
Dingell	Lowry (WA)	Thomas (GA)
Dixon	Luken	Torres
Donnelly	Lundine	Towns
Downey	MacKay	Vento
Durbin	Manton	Visclosky
Dwyer	Markey	Walgren
Dymally	Martinez	Watkins
Early	Matsui	Weiss
Edgar	Mavroules	Wheat
Edwards (CA)	McCloskey	Williams
Fascell	McCurdy	Wilson
Fazio	McHugh	Wirth
Florio	Mikulski	Wise
Foglietta	Miller (CA)	Wolpe
Foley	Miller (WA)	Yates
Ford (MI)	Mineta	Young (MO)
Ford (TN)	Mitchell	

NOT VOTING—20

Addabbo	Holt	Solomon
Bentley	Huckaby	Udall
Conyers	O'Brien	Waxman
Edwards (OK)	Pepper	Weaver
English	Rahall	Whitten
Evans (IL)	Roberts	Wright
Frenzel	Seiberling	

□ 1450

Messrs. TRAXLER, CARNEY, and HUTTO changed their votes from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. If there are no other amendments, the question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. GEPHARDT] having assumed the chair, Mr. LUKE, Chairman of the Commit-

tee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1784) to authorize appropriations for fiscal year 1986 for the operation and maintenance of the Panama Canal, and for other purposes, pursuant to House Resolution 158, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on the amendment to the committee amendment adopted by the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. LOWRY of Washington. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 1784, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

AUTHORIZATION FOR APPROPRIATIONS OF MARITIME PROGRAMS FOR FISCAL YEAR 1985

The SPEAKER pro tempore. Pursuant to House Resolution 157 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 1157.

□ 1455

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1157) to authorize appropriations for fiscal year 1986 for certain maritime programs of the Department of Transportation and the Federal Maritime Commission, with Mr. SAM B. HALL, JR., in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the first reading of the bill is dispensed with.

Under the rule, the gentleman from North Carolina [Mr. JONES] will be recognized for 30 minutes and the gentleman from Kentucky [Mr. SNYDER] will be recognized for 30 minutes.

The Chair recognizes the gentleman from North Carolina [Mr. JONES].

Mr. JONES of North Carolina. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I appreciate the promptness with which the leadership has scheduled consideration of the maritime authorization, H.R. 1157. I would also like to thank the Rules Committee for its expeditious and favorable treatment of our request for a rule making in order the consideration of this vital legislation.

H.R. 1157 is a bill to authorize appropriations for fiscal year 1986 for certain maritime programs of the Department of Transportation and the Federal Maritime Commission.

The Maritime Administration authorization is for just less than \$417 million, a decrease of about \$48 million from the fiscal 1985 appropriation. The Federal Maritime Commission authorization is for some \$11.9 million, \$352,000 less than appropriated for fiscal 1985. At the same time these authorizations are slightly higher than those proposed by the administration. The additions include, for both agencies, the restoration of the 5-percent salary cut for civil servants. The balance of the \$48 million differences between the administration's and the committee's MARAD authorization reflects: First, restoration of speculative savings which would require legislation or rulemaking yet to be seen; second, the inclusion of previously authorized sums (\$8.5 million) for State school training vessel replacement the administration seeks to defer; and third, \$3 million for school ship fuel oil as previously mandated.

This bill is a true authorization, and does not and should not be burdened with any legislative proposals to affect substantive law. Since this is the fifth year in a row that authorization levels are lower than amounts appropriated in each of the previous years, we ask you to note, with us, that substantial changes are taking place in the maritime field, changes of such magnitudes that they require consideration as part of a complete review of maritime policy.

The Committee on Merchant Marine and Fisheries has embarked on a thorough investigation into all aspects of the promotional program administered by the Maritime Administration. With the cooperation of the other Members of this body and of the maritime industry itself, we hope to present to the House those changes which will make our merchant marine a more competitive and efficient fleet. In the meantime, the bill before us is the bare minimum for the continued operation of the U.S.-flag merchant marine, and I ask your support in authorizing those funds provided in H.R. 1157.

□ 1500

Mr. Chairman, I yield such time as he may consume to the gentleman from New York [Mr. BIAGGI], chairman of the subcommittee.

Mr. BIAGGI. I thank the chairman for yielding this time to me, and I commend him for his leadership in this matter, as well as the ranking minority members, the gentleman from Kentucky [Mr. SNYDER] and the gentleman from New York [Mr. LENT].

Mr. Chairman, I rise in support of H.R. 1157. This is a routine annual authorization bill that permits the appropriation of funds for certain maritime programs administered by the Maritime Administration, an agency within the Department of Transportation. The programs are related to the development of the foreign and domestic commerce of the United States and to the national defense through an adequate and capable U.S.-flag merchant marine.

This bill also authorizes funding for the Federal Maritime Commission, an independent agency, whose major responsibilities include the regulation of ocean carriers, shippers, terminal operators, and freight forwarders operating in the ocean commerce of the United States.

I am pleased to state that we have been able to report a bill free of non-fiscal amendments. It is my sincere desire—and those of us on the Committee on Merchant Marine and Fisheries on both sides of the aisle—to keep this legislation free of nonfiscal matters and controversial issues that require in-depth review and consideration.

The bill, as reported, includes the following amounts for the Maritime Administration: \$335.1 million for operating-differential subsidies; \$9.9 million for research and development; and \$71.9 million for operations and training.

This totals \$416.9 million—about 10 percent less than what was appropriated for fiscal year 1985.

In the Operating-Differential Subsidy Program, the committee's authorization is \$35.6 million higher than the administration budget request. The administration presupposed that savings would be realized through the adoption of administrative, regulatory, or legislative changes in the ODS Program. Though the committee has not received detailed information concerning the changes to be proposed, it is apparent that their implementation is uncertain. Therefore, they are not reflected in the committee bill.

There are also several differences in the funding levels for the Operations and Training Program.

H.R. 1157 authorizes \$3 million for fuel oil for State training vessels. This amount is not included in the President's budget.

The administration has requested deferral authority for \$8.5 million to defray O&T costs in fiscal year 1986. This money was appropriated in the last Congress for replacement of the New York State Maritime Academy training ship. The committee bill assumes that the deferral request will be denied.

The administration's request presupposes that legislation will be enacted for a 5-percent reduction in Federal employee compensation beginning on January 1, 1986—with a projected \$1.16 million in savings. Since approval of this measure is speculative, the committee bill does not reflect these cost reductions.

Section 2 of the bill contains an authorization of \$11.9 million for the Federal Maritime Commission. This is \$334,000 more than the administration's request. The difference can be attributed to the administration's assumption that a 5-percent reduction in Federal employee compensation will be achieved.

I believe this legislation is reasonable and enjoys bipartisan support. The programs being funded will provide economic benefits far in excess of the proposed expenditures. As a component of the Federal budget, it should have a positive impact upon our economy. It deserves your support.

Mr. JONES of North Carolina. Mr. Chairman, I yield 4 minutes to the gentleman from Massachusetts [Mr. DONNELLY].

Mr. DONNELLY. I thank the chairman for yielding time to me.

Mr. Chairman, I rise in support of H.R. 1157, which authorizes programs of the Maritime Administration and the Federal Maritime Commission. This bill is clean, and contains no controversies of which I am aware. It does not seek to change in any way existing Federal statutes.

The Maritime Administration is responsible for promoting, developing, and maintaining the American merchant marine for domestic and foreign trade and for defense requirements. Unfortunately, those lofty goals are totally divorced from the present reality.

American flagships carry an ever-shrinking share of our trade cargoes. A growing portion of American shipyards face mounting layoffs and the very real possibility of closure. These claims are not rhetorical. Less than 5 percent of U.S. exports and imports are carried in ships flying the American flag, and staffed by U.S. citizen crews. Vice Admiral Rowden, commander of the Military Sealift Command, recently stated that:

As the 600-ship Navy becomes a reality, the privately owned U.S. Merchant Marine has slipped to just 500 ships, and almost one-quarter of them are laid up. For the first time in U.S. history, our gray-hulled Navy outnumbered the merchant fleet.

In the last 2 years, four major U.S. shipyards considered part of the Nation's active shipbuilding base have closed their gates. That base is determined by Navy planners as vital to our Nation's ability to construct and make extensive repairs and modifications to Navy and commercial sealift ships in time of war or national emergency.

Since 1982, our country's active shipbuilding base has shrunk from 27 to 23 yards. There is little doubt that base will decline even further as yards face stagnant demand for new commercial ships, and fierce competition for the few remaining near-term Navy non-combatant ship program. At present, there are no commercial foreign-trade ships under construction in American shipyards. By the end of this year, only five ships for coastwise carriage will still be under construction in U.S. yards.

The decline of America's seagoing and commercial shipbuilding industries is a national crisis. The major shipyards that have closed in the last 2 years have not been limited to one geographical region of the country. They have closed in Texas, Maryland, and in Ohio. Yards in Florida, Washington State, Maryland, and in my home district in Massachusetts, are nearing completion of their current construction and conversion projects. It is clearly in the national interest that a large, geographically dispersed shipbuilding base be maintained. It is clearly in the national interest that a skilled shipbuilding work force be maintained. Navy shipbuilding programs alone will not maintain those national assets, nor is it desirable for American flagships to be built in Korea and Japan. In time of national crisis, we should not have to rely on the uncertain shipbuilding and repair capabilities of other countries. I do not believe the American people will be comfortable with that scenario. They want American ships to be built in the United States and crewed by American citizens.

I raise these troubling facts because something must be done, and done soon, to reverse the dangerous decline of the U.S.-flag fleet and our domestic shipbuilding base. The Soviets have not lost sight of the critical importance of maintaining a large, diverse national flag fleet and shipyard base. In fact their fleet now consists of 1,750 ships, and their shipyards have dramatically increased their output and quality levels.

I commend Chairman Jones for his untiring advocacy on behalf of the American merchant marine, and I look forward to working with him and the committee in the months ahead to devise policies that will bring a resurgence in America's seagoing flag fleet and shipyards. If the administration and Congress fail to take decisive action to reverse the decline of our

merchant marine, the consequences of such inaction could well be disastrous.

Mr. JONES of North Carolina. Mr. Chairman, I reserve the balance of my time.

Mr. SNYDER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of H.R. 1157, a bill to authorize appropriations for fiscal year 1986 for the Maritime Administration and the Federal Maritime Commission.

Mr. Chairman, H.R. 1157 is a straightforward, clean authorization bill, unencumbered by the types of legislative provisions which have led to controversy in 3 of the last 4 years. Members may recall that last year's bill was the first successfully enacted into law during that time period, and it is the committee's intent that H.R. 1157 follow suit.

H.R. 1157 contains a certain symmetry in the numbers for the Maritime Administration: \$48 million above the President's fiscal year 1986 budget request; and \$48 million below the fiscal year 1985 appropriation. The authorization figure for the Federal Maritime Commission is \$334,000 above the President's request, but is likewise less than fiscal year 1985's appropriated amount.

The primary reason that this bill exceeds the President's budget request is that the committee has chosen not to legislate on blind faith—that is, in the belief that \$35.6 million in savings in the Operating Differential Subsidy [ODS] Program which were assumed in the budget will, in fact, occur. There's little question that the committee supports, in concept, the idea of streamlining the ODS system and at the same time promoting a more competitive U.S. merchant marine in the foreign commerce. Yet, in this particular instance, the assumed savings are contingent upon variables outside the committee's control, and therefore are not incorporated into H.R. 1157.

The remainder of the dollar differences between the administration request and the committee bill have already been explained by the subcommittee chairman, the gentleman from New York, and I will not repeat them here.

I do admit to a certain sense of mystery as to why the Merchant Marine Subcommittee and the full Committee on Merchant Marine and Fisheries continue to insist upon reporting authorization bills with \$3 million in fuel assistance funds for State maritime academy training vessels. Although this practice has become almost routine, I question its necessity when we in the Congress are fighting daily battles over deficit reduction measures while according to the Congressional Research Service, the five States in which the benefited academies are located show estimated end of fiscal year 1985 balances in their treasuries

ranging from \$22 to \$985 million. Perhaps the Appropriations Committee will take notice during its deliberations.

Those reservations aside, Mr. Chairman, H.R. 1157 is responsible legislation worthy of Members' support, and I urge its adoption.

□ 1510

Mr. Chairman, I yield such time as he may consume to our ranking member of the full committee, the gentleman from New York [Mr. LENT].

Mr. LENT. I thank the gentleman for yielding time to me.

Mr. Chairman, it is a pleasure for me to rise on the floor of the House today in support of H.R. 1157, the maritime authorization bill. The chairman of our committee, the gentleman from North Carolina, Hon. WALTER B. JONES, explained to my colleagues this legislation before us today, so I do not propose to go into great detail about the programs that would be funded under this bill.

I do want to indicate my support of this legislation. It was thoroughly studied by the chairman of our Merchant Marine Subcommittee, the gentleman from New York, Hon. MARIO BIAGGI, and our ranking member of the subcommittee, the gentleman from Kentucky, Hon. GENE SNYDER. This legislation represents a bipartisan effort to address the needs of the Maritime Administration and the Federal Maritime Commission and the maritime industries that are dependent upon these two agencies.

The committee carefully considered the budget request of the administration and, with some exceptions, agreed that the President's budget was a realistic one for these maritime programs. Our committee did not accept three proposals that were suggested by the administration as a means of reducing the level of funding for the operating-differential subsidy program. I believe that the proposals which—according to the administration would save \$36 million—need further study. Our reasons for not acting on these proposals is, quite simply, that the testimony received during our committee hearings and other supporting information do not confirm that, indeed, these savings would occur. The ideas appear to have some merit, but, in one case, at least, it is conceivable that reducing the funding level for operating subsidies could lead to bankruptcies for some vessel operating companies. If that occurred, it would require the Government to pay off guaranteed loans on vessels in amounts that could exceed any possible budget savings.

Even without making the program reductions proposed by the administration, this legislation is definitely financially responsible in the context of the economic problems that we have

before us. This bill authorizes almost \$50 million less for the Maritime Administration than was enacted in fiscal year 1985, and approximately \$685,000 less for the Federal Maritime Commission.

Mr. Chairman, I am pleased to support this legislation and urge all of my colleagues to do likewise.

Mr. SNYDER. Mr. Chairman, I have no further requests for time, and I yield back to the balance of my time.

Mr. JONES of North Carolina. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

H.R. 1157

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That funds are authorized to be appropriated for the use of the Maritime Administration for fiscal year 1986 as follows:

(a) for payment of obligations incurred for operating differential subsidy, not to exceed \$335,084,000;

(b) for expenses necessary for research and development activities, not to exceed \$9,900,000; and

(c) for expenses necessary for operations and training activities, not to exceed \$70,812,000 including not to exceed—

(1) \$34,500,000 for maritime education and training expenses, including not to exceed \$19,318,000 for maritime training at the Merchant Marine Academy at Kings Point, New York, \$10,915,000 for financial assistance to State maritime academies, \$3,000,000 for fuel oil assistance to State maritime academy training vessels, and \$1,267,000 for expenses necessary for additional training;

(2) \$9,047,000 for national security support capabilities, including not to exceed \$7,748,000 for Reserve Fleet expenses and \$1,299,000 for emergency planning operations; and

(3) \$27,265,000 for other operations and training expenses.

Sec. 2. Funds are authorized to be appropriated for the use of the Federal Maritime Commission in the amount of \$11,606,000 for fiscal year 1986.

Mr. JONES of North Carolina (during the reading). Mr. Chairman, I ask unanimous consent that the bill be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

COMMITTEE AMENDMENTS

The CHAIRMAN. The Clerk will report the first committee amendment.

The Clerk read as follows:

Committee amendment: page 2, line 6, strike "\$70,812,000", and substitute "\$71,967,000".

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

Mr. JONES of North Carolina. Mr. Chairman, I ask unanimous consent that the remaining committee amendments be considered en bloc, considered as read, and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The text of the remaining committee amendments is as follows:

Committee amendments: Page 2, line 8, strike "\$34,500,000", and substitute "\$34,847,000";

Page 2, line 10, strike "\$19,318,000", and substitute "\$19,633,000";

Page 2, line 15, strike "\$1,267,000", and substitute "\$1,299,000";

Page 2, line 18, strike "\$9,047,000", and substitute "\$9,277,000";

Page 2, line 20, strike "\$7,748,000", and substitute "\$7,932,000";

Page 2, line 21, strike "\$1,299,000", and substitute "\$1,345,000";

Page 2, line 23, strike "\$27,265,000", and substitute "\$27,843,000";

Page 2, line 3, strike "\$11,606,000", and substitute "\$11,940,000";

The committee amendments were agreed to.

AMENDMENT OFFERED BY MR. WALKER

Mr. WALKER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WALKER: At the end of the bill, add the following new section:

"Sec. 3. All funds authorized by this act are hereby reduced by ten percentum."

Mr. WALKER. Mr. Chairman, I ask unanimous consent to change the word "all" in the amendment to "the."

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

Mr. JONES of North Carolina. Mr. Chairman, reserving the right to object, what was the unanimous-consent request?

Mr. WALKER. In the amendment where it says, "All funds authorized by this act," to make it, "The funds authorized by this act."

Mr. JONES of North Carolina. What would be the effect?

Mr. WALKER. In other words, it will allow more discretion in terms of the cuts that way. It is my intention to assure that the overall amount of funding in the bill is cut by 10 percent.

In talking to the gentleman from Kentucky, we felt that if I changed the word to "the," it will allow that kind of discretion and will assure that if this amendment passes, that we will not run into some of the problems that would be there that I did not intend for the committee to have.

Mr. SNYDER. If the gentleman will yield, the way the amendment is worded, it says "all funds," that it was going to introduce. It leaves it open, I think, to interpretation that if this amendment should be adopted, that the 10-percent cut would apply on each of the categories shown in the

bill. Whereas, if you say "the funds," then you take the total and leave discretion to commissions as to where they would cut in the event it would be adopted.

I think that if it may be adopted, and if it is, then we are better off if they have discretion as to where they are going to take this money out of instead of each category having to take 10 percent. That is why I asked the gentleman to change the "all" to "the."

Mr. WALKER. Let me assure the gentleman from North Carolina that my intention is to give as much discretion as possible. It was worded in a way to assure that the committee priorities would be kept, and that as much discretion as possible.

The gentleman from Kentucky feels as though the language that I am suggesting in my unanimous consent would give more discretion and I am perfectly amendable to doing that if we can do it by unanimous consent.

Mr. JONES of North Carolina. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The text of the amendment, as modified, is as follows:

Amendment offered by Mr. WALKER, as modified: At the end of the bill add the following new section:

"Sec. 3. The funds authorized by this act are hereby reduced by ten per centum."

Mr. WALKER. I thank the chairman.

Mr. Chairman, this amendment would amount to about a \$42-million cut. Let me explain the reason why I have approached it this way.

The committee has, in fact, come to the floor with a bill that is responsible and it comes in below last year's spending levels; about \$48 million below last year's spending levels. However, it is also a bill that exceeded the administration's request by about \$48 million. This amendment would not recover the whole of that \$48 million, but would recover a good portion of it by cutting 10 percent.

The reason for doing that, it seems to me, is simply that if we are going to do something about deficits, we have to do more than simply freeze along the way. We agreed in the last bill to a sense-of-the-Congress kind of freeze; we have had some other freezes before, but if we are really going to begin to cut into a \$180- to \$200-billion deficit, we have got to look at some of the places where the administration says that they can save additional money over what was being spent in the previous year.

So this particular amendment would allow us to get about \$42 million additional in cuts in the spending for the

Maritime Administration, and therefore, it seems to me, would get us in line with what the administration says they need, and be something which I think is probably going to come closer to the Senate.

□ 1520

In reading the administration's position on this bill, I understand that they were in support of the legislation; however, we are going to seek amendments in the Senate to get it closer to their appropriations level, and that is what this amendment does. It gets it closer to the appropriations level that the administration had originally suggested. So, therefore, I would urge my colleagues to accept this fairly simple but I think important amendment that would cut 10 percent out of the bill as brought forward by the committee.

Mr. GAYDOS. Mr. Chairman, I rise in opposition to the proposed amendment.

Mr. Chairman, regardless of what has been said as an explanation in the official record, there is always a question as to whether or not the proper interpretation or application of all funds or the funds will be made as suggested by the maker of the amendment.

Let us truly look at the impact of this amendment. A 10-percent cut would conceivably pertain to cargo preference, and in all truth, cargo-preference requirements affect neither the price that American farmers receive for their goods nor the price that overseas customers pay for these commodities. The cost differential between U.S. ships and foreign vessels is paid for by the American Government as part of a longstanding national policy of United States for the American maritime industry.

This is true in many, many other areas. We talk about the textile industry and talk, yes, about the coal industry, and the sugar problem we have in the country, and I can go on and on. All those directly and indirectly are involved. If you apply to one, you apply to the other.

What this amendment would do, and I suggest to you that there is a question as to what "all" and "the" funds means, is to have a severe and devastating effect on the U.S. merchant marine and would effectively penalize the U.S. fleet, what is left of the U.S. fleet.

According to recent figures from the U.S. Maritime Administration, the U.S.-flag dry bulk fleet, which virtually depends on preference cargoes for survival, now consists of only 21 vessels. Fortunately, it is a young fleet, with 11 ships of 4 years of age or less, and 19 of the 21 at 12 years or less. But even more, these new ships can carry more cargo tonnage and can operate with a smaller crew. Thus, the

merchant fleet, what we have of it, with the help of the Seafarers' International Union, has been able to cut manning levels and lower wage structures to keep the fleet more competitive.

We have some fleet; better than nothing, but woefully ineffective and woefully low in numbers. Now we have this amendment which would and could possibly reduce the use of authorized funds, as I have already explained, to enforce cargo-preference requirements by at least 10 percent. This pertains to shipments of agricultural commodities and others.

The question that I think is reasonable to ask and which presents itself at this stage is: Is all the work that our maritime industry and the men and the various unions involved to go down the tube and be for naught? Are we telling another basic industry that is making an effort to compete in today's international world that we do not care?

The maritime industry is vital to this Nation. It fills an important defense need. It fills an important domestic need as well, and it is about time, I believe, that we in this body start making our actions known and our votes indicate that we do care and are concerned about our maritime fleet.

If we adopt this 10-percent amendment, we will be sending another signal to our shipbuilding industry and the other industries that service it, such as steel and areas of that nature, that we do not care what happens. Mr. Speaker, I do care, and I care as the chairman of the Steel Caucus executive committee in what we have done. I care for the merchant fleet. I care for the well-being and international competitive position of this country. We must defeat this 10-percent amendment.

Mr. BIAGGI. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in opposition to the amendment. I am not sure that the gentleman who offered this amendment listened to what was said in the opening comments. I do not think he was on the floor. It is unfortunate, because the fact of the matter is, the Merchant Marine and Fisheries Committee works in a bipartisan fashion. Ours is to preserve and enhance the quality and quantity of the merchant marine industry, an industry that has seen poor days, an industry that has seen steady decline since World War II, where hundreds of thousands of jobs have been lost in the industry. If it were to be reflected across all of the ancillary industries, it would run into the millions. The gentleman from Pennsylvania [Mr. GAYDOS] just made reference to his concern for the industry, as well as for the steel industry.

With the diminution of the maritime industry, with the reduction in our ability to compete, resulting in the disastrous consequence where our shipyards are not being occupied because any shipper cannot afford to build a ship in an American shipyard to compare with those built in foreign yards for the ability to transport cargo.

All we have seen, we have come upon woeful days and the administration, the President, has been very sympathetic. He passed the Shipping Act of 1985. He is mindful of the conditions of the maritime industry. He is trying to be helpful, and as a result, there is a bipartisan effort, especially in that committee. Rarely do we report out legislation that has not been ironed out, that has not been distilled and reconsidered so that when we bring it to the floor, we bring a product that both parties agree and all elements of the industry agree upon. For what purpose? To save the merchant marine, to save it. It is going down the tubes. Shipyards are going out of business. We have a 26-shipyard mobilization base that will be reduced even further. The gentleman from Massachusetts [Mr. DONNELLY] just told me that two other shipyards will be closing up in Massachusetts in the very near future.

We read the articles, we hear the stories, we recognize the fact, we know what is happening, and yet we are not in a position to do anything about it. The most significant thing that has happened in a long time was the Shipping Act of 1985, and that happened over a 6-year period with the administration's support and with a bipartisan approach. This committee finally came up with a maritime authorization bill, no fiscal matters, no controversial matters, and reported a bill out that was 10 percent less than the appropriation for 1985. We have done the job. We have been prudent. We have recognized the need, even on a fiscal basis.

We should be having more money come into the maritime agency. We should have more money coming into the maritime industry, not less, but we recognize the exigencies of the day, so we do respond in a responsible fashion, and then we are victimized with the 10-percent dogma doctrine, and that is what is it. It is a 10-percent dogma doctrine. Everything that comes up must be cut by 10 percent.

I am not even going to try to give you a case for building more money, but let me tell you, certainly this amendment should be rejected out of hand—out of hand.

□ 1530

Mrs. BENTLEY. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I support all of the statement of my colleague, the gentleman from New York [Mr. BIAGGI], who emphasized the need for the American merchant marine today and the need to support this industry as much as possible.

This industry has suffered a great deal already, and it can ill afford to incur any more losses or we are going to have another very important industry disappear totally from our country.

We need a presence on the high seas. It is important that the American flag is out there. It is important not only to insure our shippers that vessels will be available when they need them but also to sell the United States of America. This is important. We need these ships to be available should an emergency arise. We are spending billions for the Defense Department, and yet our defense must be backed up by merchant vessels should an emergency arise. Of course, we pray to God that we never have to prove this.

The maritime industry is an important basic industry in the United States of America. We are losing enough of our industrial base as it is, and this is one that cannot suffer any more. I am very supportive of it. I oppose this amendment, and I hope it is defeated.

Mr. GAYDOS. Mr. Chairman, will the gentlewoman yield?

Mrs. BENTLEY. Yes; I yield to the gentleman from Pennsylvania.

Mr. GAYDOS. Mr. Chairman, I wish to go on record to commend the gentlewoman and her committee, and I think it is imperative that we emphasize at this point in the RECORD that here we have a responsible committee taking the time and the effort, based upon its experience, to make a 10-percent cut already and do it in good conscience.

But then we have an amendment, an irresponsible amendment, presented on the floor by a Member who is not a member of the committee and by a Member who is following almost a perfunctory type of amendatory process.

Mr. Chairman, I think it behooves all of us to take a look at that amendment and give recognition to the committee for its responsible work. I want to congratulate the gentlewoman from Maryland [Mrs. BENTLEY] and urge that we defeat this amendment resoundingly.

Mrs. BENTLEY. Mr. Chairman, I thank the gentleman. The committee did work very carefully, going over the budget, and came up with the amount. I just again want to emphasize that I do oppose the amendment.

AMENDMENT OFFERED BY MR. JONES OF NORTH CAROLINA AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. WALKER, AS MODIFIED
Mr. JONES of North Carolina. Mr. Chairman, I offer an amendment as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mr. JONES of North Carolina as a substitute for the amendment offered by Mr. WALKER, as modified: At the end of the bill add the following new section:

"Sec. 3. No funds authorized by this Act may exceed the amounts appropriated for the programs and operations of the Maritime Administration and the Federal Maritime Commission for fiscal year 1985; *Provided*, That this section shall not be construed to increase any authorization in other sections of this Act".

Mr. JONES of North Carolina. Mr. Chairman, this is a real freeze amendment. This language is exactly the language that has been used on four or five other authorization bills, that no funds authorized by this act may exceed the amounts appropriated for 1985, et cetera.

I only ask that this committee, which came here today in good faith with an almost 10-percent reduction, be treated in the same manner as other committees have in the authorization process. We feel that this is truly a freeze amendment. We can go a step further and insure that should, by some mathematical miracle, the freeze section would be increased, we even eliminate that.

So, Mr. Chairman, I submit to those Members on the floor, as well as to those at their TV sets, that this is indeed a true freeze amendment to the maritime authorization bill.

Mr. LENT. Mr. Chairman, will the gentleman yield?

Mr. JONES of North Carolina. I am delighted to yield to the gentleman from New York.

Mr. LENT. Mr. Chairman, I wish to commend the gentleman and join in the language of the gentlewoman from Maryland [Mrs. BENTLEY] in support of the gentleman's amendment.

The committee has worked very hard on this bill, and as the gentleman has pointed out, the committee has already cut 10 percent from the fiscal year 1985 appropriation and this bill is over \$48 million less than the fiscal year 1985 budget.

So the cutting has already been done. The freeze is already in there. To go back and cut another 10 percent on top of the 10 percent that the committee has already cut, I think would really get down into the bone and the sinew of our Nation's Ready Reserve Force and the U.S. sealift capacity. Certainly it would cut back on both the State and the Federal maritime academies, and it would be going too far.

Mr. JONES of North Carolina. Mr. Chairman, I thank the gentleman for his support.

PERFECTING AMENDMENT OFFERED BY MR. WALKER TO THE AMENDMENT OFFERED AS A SUBSTITUTE BY MR. JONES OF NORTH CAROLINA FOR THE AMENDMENT OFFERED BY MR. WALKER, AS MODIFIED

Mr. WALKER. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will report the amendment.

Mr. JONES of North Carolina. Mr. Chairman, may we have a copy of that, please?

Mr. WALKER. I just wrote it. It is the same thing over again.

Mr. JONES of North Carolina. The same what over again?

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Perfecting amendment offered by Mr. WALKER to the amendment offered as a substitute by Mr. JONES of North Carolina for the amendment offered by Mr. WALKER as modified.

"Sec. 3. The funds authorized by this Act are hereby reduced by 10 per centum.

Mr. SNYDER. Mr. Chairman, I reserve a point of order on the amendment.

The CHAIRMAN. The gentleman from Kentucky [Mr. SNYDER] reserves a point of order on the amendment and the gentleman from Pennsylvania [Mr. WALKER] is recognized for 5 minutes in support of his amendment.

Mr. WALKER. Mr. Chairman, if we were to adopt the substitute amendment offered by the gentleman from North Carolina, what we would in effect be doing is adding about \$50 million to the bill that the committee brought out here.

We just heard a discussion a few minutes ago about how responsible the committee had been on all of this, and now the committee is coming out and saying that is somebody is going to offer a 10-percent cut, then, by golly what are we going to do is we are going to go back up to the freeze level and we are going to add \$50 million to what we brought out on the floor.

It does seem that is exactly what we ought to be doing in the work of a Congress that is aimed at trying to do something about deficits. I explained earlier when I came to the floor that indeed this was a cut below the committee's authorizing level that was in its bill. I said I thought the committee has been responsible, but the administration says that they can get along with about \$48 million less than what the committee has come up with. They said they were going to try to get that position taken in the other body. All I am trying to do is to get this body to recognize that fact and work toward a real cut in this program beyond the cut that the committee has already had for 1985.

Mr. GAYDOS. Mr. Chairman, will the gentleman yield?

Mr. WALKER. If the gentleman will just wait a minute until I finish my

presentation, I will be very glad to yield to the gentleman.

This gentleman feels that the most responsible course of action for this Congress is to begin the process of not only freezing at 1985 levels but getting below 1985 levels wherever we can. This committee started that process by bringing its bill to the floor. I think we can take it further based upon the administration's projections.

That is what I am attempting to do. It seems to me that is responsible and responsive to what I hear my constituents telling me every week when I go home. I have got to say that if I tell my constituents that what we are trying to do is save an extra \$40 million out of the Maritime Administration, most of them will think that is a place where we can probably find \$40 million in order to do it.

Mr. GAYDOS. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I will be very glad to yield in a moment when I finish my explanation.

Mr. Chairman, all my amendment that I have offered does is it gets back to the original language that I offered so we can get a vote on whether or not this House wants to reduce an additional 10 percent. That is all this amendment does. It just assures us that we get a vote on whether or not we are going to go 10 percent below what the committee brought out.

Mr. GAYDOS. Mr. Chairman, will the gentleman yield?

Mr. LENT. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I am very glad to yield to the gentleman from New York, and then I will yield to the gentleman from Pennsylvania and the gentleman from North Carolina.

Mr. LENT. Mr. Chairman, the gentleman from New York is frankly confused by this particular amendment to the amendment that the gentleman is offering.

It is my understanding that when the gentleman offers a freeze amendment, he seeks to freeze at the level of authorization at the 1985 appropriation level?

Mr. WALKER. That is right.

Mr. LENT. Is that not correct? Is that not the kind of freeze the gentleman has traditionally offered?

Mr. WALKER. Traditionally, that has been the case, but the gentleman may remember that on a number of occasions I have come to the floor and explained that I think that we ought to go for a freeze or for the administration's budget, whichever is lower.

□ 1540

In this case the administration is lower, so we ought to go for that figure.

Mr. LENT. Well, in this case, the amendment offered by the gentleman from North Carolina is very similar, if

not identical, to the usual garden variety amendment offered by the gentleman from Pennsylvania in that it would de facto freeze the level for the Maritime Administration at 1985 appropriation levels.

What the gentleman from Pennsylvania is seeking to do by this device is to cut even deeper by some 10 percent than the 1985 appropriation level; is that correct?

Mr. WALKER. Yes; that is exactly right.

Mr. LENT. So I understand it right then?

Mr. WALKER. Yes; that is right.

Mr. LENT. So this is not a freeze. This is a freeze less another 10 percent.

Mr. WALKER. The gentleman is absolutely correct.

As I said to the gentleman, the important thing here to recognize is that we ought to be using the freeze as a device to bring down spending levels, not raise spending levels.

You know, there is an attempt around here to write off the administration's budget and then say the administration is irresponsible for all these budget deficits they have.

I hear time and time again about the President's deficit. Well, the President has come in here and said here is an area where we can save.

I am trying to get us to go below that freeze level to come up with those savings that the President says we can achieve; so indeed, that is below the freeze, but I would tell the gentleman that in 1985 when we had the budget that we want to freeze at, we had \$170 billion to \$180 billion in deficits. We have to get those down some, too; so I am trying to get below that figure. And this is one place where we can attempt to achieve that.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

(By unanimous consent, Mr. WALKER was allowed to proceed for 2 additional minutes.)

Mr. JONES of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I would be happy to yield to the gentleman from North Carolina.

Mr. JONES of North Carolina. Mr. Chairman, I am not sure the gentleman read the substitute amendment clearly. The gentleman talks about we are coming in the back door with increases.

No, sir; this is a true freeze, consistent with all the action we have taken with previous authorization bills.

We even go a step further to allay the fears of the gentleman, or perhaps at least try to.

It says, "Provided, this section shall not be construed to increase any authorization in other sections of this Act."

What more does the gentleman want?

Mr. WALKER. Well, the gentleman has brought in a freeze amendment. The freeze is about \$90 million over what the administration requested.

My attempt is to get us down toward the administration's request, rather than back up to the 1985 request; so my amendment is aimed at getting us down toward that administration request and the gentleman's amendment, as I understand it, moving toward a freeze, moves us further away from the administration.

Mr. JONES of North Carolina. On the contrary, is it not true that the figures, if analyzed correctly, show that the amendment of the gentleman from Pennsylvania would invoke a 20-percent decrease, a cut in the authorization?

Mr. WALKER. From the 1985 levels, that is correct; but it would still not be as much a freeze—

Mr. JONES of North Carolina. Why did the gentleman not offer such an amendment in other authorizations?

Mr. WALKER. Well, in fact, I have offered such amendments on some other bills. When we had bills coming out of my Science and Technology Committee, I would say to the gentleman, I have offered amendments to bring it down to the administration levels that were below the freeze levels; so I would say to the gentleman that I have tried on those occasions to bring the spending underneath the freeze levels where the administration had less spending.

I think that is necessary. We are not going to deal with deficits simply by wishing them away and here is one place where we can begin the process of really reducing; so a 20-percent cut here may in fact be a very worthwhile cut, particularly since that is what the administration thinks that it can operate with in this particular fiscal year.

Mr. BIAGGI. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from New York.

Mr. BIAGGI. Mr. Chairman, I thank the gentleman for yielding.

By the gentleman's own admission, he is saying that his amendment would in effect bring about a 20-percent cut.

Mr. WALKER. Yes; that is less than the administration had. The administration had about a 25-percent cut.

The CHAIRMAN. The time of the gentleman from Pennsylvania has again expired.

(At the request of Mr. BIAGGI, and by unanimous consent, Mr. WALKER was allowed to proceed for an additional 2 minutes.)

Mr. BIAGGI. Mr. Chairman, will the gentleman yield further?

Mr. WALKER. I am happy to yield to the gentleman.

Mr. BIAGGI. But whether the administration requested a 25-percent

cut, the fact is that the gentleman's amendment would bring about a 20-percent cut. I think it is important for all Members to understand that, a 20-percent cut, not even 10 percent.

Understand, this committee has functioned in a very prudent manner in an area that is very, very critical. Notwithstanding the need for additional moneys, we have functioned on a bipartisan basis and we crafted this legislation to come in with a moderate proposal.

We are prepared to accept a freeze resolution. The chairman of the full committee, the gentleman from North Carolina [Mr. JONES], is offering that, a freeze, the type of freeze resolution that has been applied to many, many other committees.

Now, the gentleman from Pennsylvania [Mr. WALKER] has offered an amendment that would bring about not 10, but 20 percent.

Mr. WALKER. Well, let me say to the gentleman that the amendment that I have offered which is at the desk right now is a 10-percent cut on the bill that was brought to us by the committee.

Now, if the gentleman wants to characterize that as a 20-percent cut over last year, I would simply say to the gentleman that it is still at a spending level above what the administration says they need.

Now, I realize that here in Congress we like to spend money. That is one of the problems we have got around here. Then we like to blame it on the President when we do it, and that is just about what we are in the process of doing here again, is the fact that when someone proposes to cut, that is called irresponsible because we are getting far too deep in our cuts. We have got to get deep in some cuts around here. We have got to do a few things about ending the spending machine in this body or we are in big, big trouble.

The fact is the American public already knows we are in big, big trouble, with \$200 billion deficits.

All this gentleman is asking is that we cut out in this bill around \$80 million to \$85 million. Somehow I do not think that is a tremendous sacrifice to have to make, given the magnitude of the problem we face nationally.

Mr. BIAGGI. Mr. Chairman, will the gentleman yield further?

Mr. WALKER. I would be glad to yield to the gentleman.

Mr. BIAGGI. I would like to get something straight.

The CHAIRMAN. The time of the gentleman from Pennsylvania has again expired.

(At the request of Mr. BIAGGI, and by unanimous consent, Mr. WALKER was allowed to proceed for an additional 2 minutes.)

Mr. BIAGGI. The gentleman makes reference to Members talking about the budget as the President's budget

deficit. I can assure the gentleman that this gentleman has never attributed the deficit to the President, because we all know it is the sum total of many years of extravagance, if you will; so I do not know that any members of this committee have taken similar positions.

Mr. WALKER. Let me say to the gentleman, I said that is simply the case on the floor. Constantly in the 1-minute speeches we hear it referred to that way.

This gentleman does realize that most of the time that comes from his side of the aisle, but I would agree with the gentleman, I have never heard him make such a statement.

Mr. BIAGGI. Well, I think that is a significant point.

The fact is by the gentleman's own admission he has qualified it, whether it is 10 percent or 20 percent, but by the gentleman's own admission the net effect of the gentleman's amendment to this very moderate resolution, this authorization bill, is that there will be a 20-percent cut.

Mr. WALKER. I have not qualified anything, I would say to the gentleman. The amendment is at the desk and reads a 10-percent reduction in what the committee brought forward. I do not qualify that. That is exactly what I am offering. It is a 10-percent reduction in the committee bill and that results in a savings over what the committee brought to us of \$41.7 million. I happen to think that is probably affordable and it is certainly in compliance with what the American public keeps saying time and time again that they want us to get our spending priorities in order. That is what I am attempting to do here.

Mr. LENT. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I would be glad to yield to the gentleman from New York.

Mr. LENT. Mr. Chairman, I think this debate has been very illuminating because it demonstrates that in the case of this particular committee, the Committee on Merchant Marine and Fisheries, the committee already cut 10 percent from the 1985 appropriation level; so we did our job in the committee.

The committee put out, not a freeze, but 10 percent below the 1985 appropriation level.

Then the gentleman from Pennsylvania comes along and would cut another 10 percent on top of that 10 percent, resulting in what the gentleman from New York [Mr. BIAGGI] has properly calculated to be in effect a 20-percent cut below the 1985 appropriation.

Mr. WALKER. All I said to the gentleman is that the committee's reaction to that is to come back with a freeze amendment, that in effect if we accepted a true freeze would be instead of accepting a 10-percent cut,

goes for a 10-percent increase over the bill that they brought to the floor.

Now, I do not think that is exactly in line with what I hear the gentleman telling us that we ought to do.

Mr. LENT. That is not correct. That would have been the case with respect to the amendment of the gentleman from North Carolina had it not had the last paragraph—

The CHAIRMAN. The time of the gentleman from Pennsylvania has again expired.

(At the request of Mr. LENT, and by unanimous consent, Mr. WALKER was allowed to proceed for 2 additional minutes.)

Mr. LENT. The last clause of the gentleman's amendment, which starts with the words, "Provided, that this section shall not be construed to increase any authorization in other sections of this Act."

So that preserves that language. The 10-percent cut below the 1985 appropriation level that the committee worked out after months of deliberations, hearings and hard work, and for the gentleman to come along and reward the committee which has worked so hard and come down 10 percent below the 1985 authorization level with another cut, 10 percent on top of that 10 percent, I really think erodes, and I have generally supported the gentleman's freeze amendments, but I think it erodes the integrity of the gentleman's efforts thus far.

□ 1550

I would hope that the gentleman might reconsider his amendment.

Mr. WALKER. I thank the gentleman.

I would simply say to the gentleman that there are many times on this House floor where we have decided to do things differently from what the committees did. We do that all the time with science and technology bills. We have had several science and technology authorizations that we worked very hard on in the Science and Technology Committee too, and the House decided they were going to change our work. That is not unusual around here.

I think that we have an obligation to look at things in a more general sense rather than some of the interests that the committees reflect. Here we are simply deciding whether or not we are going to spend the additional money or save the additional money, and that is what my amendment is aimed at doing.

Mr. GAYDOS. Will the gentleman yield to me?

Mr. WALKER. I will be glad to yield.

Mr. GAYDOS. I appreciate my good friend yielding. I am a little confused. The gentleman talked about the 10-percent cut as affected by the commit-

tee, called the committee a responsible committee. I think it would be basically essential that we spread upon the record right here as to why the gentleman feels that a 10 percent responsible cut is not responsible enough. Is it because he is following the administration's suggested budget?

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. WALKER] has again expired.

(On request of Mr. GAYDOS and by unanimous consent, Mr. WALKER was allowed to proceed for 1 additional minute.)

Mr. GAYDOS. Or is there an authenticity in the gentleman's amendment? I did not do it frivolously earlier when I suggested that we just cannot in a perfunctory manner offer amendments 10 percent here and 10 percent there. It is only fair to the committee that has jurisdiction if the committee system is going to survive in this House, and I think it has justification for surviving, and if it is I think the gentleman has to back it up with facts.

Mr. WALKER. I would say to the gentleman one of the problems we have with the committee system around here, though, is that the committee system was created as a way of helping facilitate what happens on the floor, but it has now come to the point where we are using the committee system to dominate what happens on the floor by coming out and saying that, "We, the committee, decide, so you have to accept it."

I do not agree with that. I think 435 Members of Congress were elected to this body to do the general job of listening to their committees on specifics but also deciding where the committees have gone wrong.

In this case the administration indicates that they can administer the programs under this authorization for less money than the committee is indicating it wants to give. I am simply saying that if the administration can do the job for less, let us give them a change. Let us give them the opportunity to do the job for the money that they say they need to spend rather than overspending here in the House of Representatives.

The CHAIRMAN. Does the gentleman from Kentucky [Mr. SNYDER] insist on his point of order?

Mr. SNYDER. No, I do not, Mr. Chairman.

Mr. SMITH of Florida. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the perfecting amendment.

Mr. Chairman, I do not serve on the Merchant Marine and Fisheries Committee. I have great respect for the chairman, the gentleman from North Carolina [Mr. JONES], and for the gentleman from New York [Mr. BIAGGI], and I find it a very, very enlightening debate. It just happens that it falls on

the authorization bill of this committee.

The gentleman who is offering the perfecting amendment, which in essence cuts 10 percent more from an already 10 percent cut below the 1985 level done by the committee, the gentleman talks about this is where we can save money, and this is what the administration wants to do.

How interesting. Is it not interesting that this administration, which wants to save this money, proposed a budget which had a level of funding which the gentleman from Pennsylvania wants to get to for this particular authorization, that that very administration budgeted a deficit of \$185 billion? This is where we are going to save the money.

We think we can save the money.

They are peddling heifer dust to the American public and the gentleman from Pennsylvania is one of the leading purveyors. They do not think they are going to save any money. They are going to save money from this program so they can put it somewhere else, into their priorities. It does not save the American public one single dime. And as soon as the people of this country begin to understand that fact, maybe we will be able to deal more effectively on this floor.

I do not have any problem with the gentleman from Pennsylvania offering amendments to cut. I have even supported some of those where they were rational and appropriate, where the committees may have been a little bit too zealous in their effort to fund their own jurisdiction.

But here is a committee that have never been assaulted for being overly, overly expansive in terms of the money they deal with for a program that is so extremely important to the defense, to the economic well-being of this country. And it is in such poor condition. And the gentleman from Pennsylvania would have us believe that the administration in caressing it is helping it rather than killing it.

A 20-percent cut off last year will not, in fact, bring this industry to its life. It will bring it to its knees.

Is there anybody that wants to see the maritime industry in this country destroyed? Is there anybody that wants to see all of the other programs that have these cutting amendments attached to them destroyed?

We can use some good sense. We can use some good common sense. We can use some cutbacks on programs and reduce some of the things that we have done over the years. We all agree. The problem is going to be where.

But when a committee comes out with a responsible program, and again I have no pride of authorship, I do not even sit on that committee, but I am aware of the work that the maritime industry does, that the maritime in-

dustry in this country is performing, and the condition that it is in. And even if you are not from a port State, or even if you are not from a State where the maritime industry is extremely important, you know the relevance, all of my colleagues know the relevance of a maritime industry and this authorization bill to the economic well-being of this country.

We need to set the priorities. The gentleman from Pennsylvania has a right to try to cut, but he does not have a right to lecture us that this is where the administration wants to save money, because the administration ultimately is spending more than any of us want to be spending. They are just taking the savings from the left pocket and putting it into the other pocket so that they can spend it somewhere else.

That is the reality of what is going on. I urge you not to undo the balance between cutting and fiscal responsibility and dedication to the industry that this committee has crafted on this one.

This is an important issue. It is going to be debated over and over on different authorization bills as they come up, including the committees of jurisdiction on which I serve.

But this is only a beginning. If you keep wanting to cut to the level of the administration on all of these you are going to be seeing severe cuts. But remember, ultimately you will not save a dime, folks, because that money from those cuts is programmed into other things. And that is definitely wrong and the American public ought to know that.

I urge you to reject this amendment on the grounds that it is wrong and on the grounds that it sets a terrible precedent for this House to establish.

The CHAIRMAN. The time of the gentleman from Florida [Mr. SMITH] has expired.

(On request of Mr. GAYDOS and by unanimous consent, Mr. SMITH of Florida was allowed to proceed for 1 additional minute.)

Mr. GAYDOS. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Florida. I am happy to yield.

Mr. GAYDOS. I hesitated to stand because I think the gentleman's argument is so crystal clear. I want to congratulate the gentleman. He has put the problem just as it exists. I think his analysis is cutting and goes right down to the core of the problem. I think he properly points out where the righteousness of the argument lies.

This is a responsible committee that has already made a 10-percent cut. When my colleague from Pennsylvania [Mr. WALKER] was in the well he mentioned the fact that he was worried, and we were going to be con-

cerned. I think we have a worry and we do have a concern, but it is for the merchant marine that is almost nonexistent in this country today.

I am not talking about how many ships we had or did not have. We have substantially less than 500 ships in this great maritime Nation of ours.

Somebody, somewhere, somehow, under some circumstances is going to have to take a look at this problem. And I think the Committee on Merchant Marine and Fisheries has and I think the gentleman explained it so clearly.

Mr. SMITH of Florida. Let me reclaim my time to say one thing in closing.

The CHAIRMAN. The time of the gentleman from Florida [Mr. SMITH] has again expired.

(By unanimous consent, Mr. SMITH of Florida was allowed to proceed for 1 additional minute.)

Mr. SMITH of Florida. One of the hallmarks, one of the key words of this administration has been, and I have heard it in my own committees, "We are going to do more with less." Ladies and gentlemen, you do not do more with less, not given the circumstances as we see them today.

It would be a great thing for this country to be able to reduce its spending and to keep getting better and better efficiency out of every program we have. Unfortunately, we know we cannot squeeze some of the programs like that. This is a perfect example. We are already cutting into and below last year's authorization level on this bill.

□ 1600

You go beyond that, you are not going to just be cutting money, you are going to be killing a whole industry.

Mr. Chairman, I yield back the balance of my time.

Mr. DANNEMEYER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the clarification amendment offered by my colleague from Pennsylvania [Mr. WALKER]. I had not intended to speak on this matter. I am not a member of the Policy Committee. I would like to congratulate the members of the committee for the work product that they have brought to the floor. They are moving in the direction that the people of this country want us to move by bringing a bill that authorizes 10 percent less than was appropriated in 1985. That, to me, is a constructive alternative to take. But in this issue we have got that classic illustration that confounds us all, indeed has got this whole institution tied up in a knot.

When we look at this program in isolation we can say with every justification it makes sense to do what the

committee has suggested because they have far more knowledge of the need than the rest of us. I accept that.

But the problem we have, my friends, is something we all know: We have a deficit that just boggles the mind to even think about. How much evidence do we need to bring to our collective attention that this country is in a serious crisis over the issue of overspending? In this morning's paper the second savings and loan in Maryland is in deep trouble.

What is happening? The Federal Reserve Board, the national banker of last resort, Mr. Volcker, has said the Fed will assist them. How many savings and loans in America can the Federal Reserve Board assist? I do not think we have got enough money in Christendom to save all the savings and loans in America.

So we who are the policymakers, who set the spending levels for this country through the Congress, have got to make up our minds whether we can remove ourselves from the narrow stricture of just this program to the broad picture.

I admit that is thought to do. I would submit to my colleagues that if the people of this country had the option of voting for a 20 percent cut on all of the programs of the Federal Government that they would vote "aye" by about two to one, because that, incidentally, would come close to balancing the budget, by cutting spending and not raising taxes.

So when you ask this Member from California about cutting this program by 20 percent, roughly, from what was spent last year, I am not bothered a bit. I am encouraged that the administration has the courage to come here and recommend to Congress that we cut this program by that amount. We all know the game: "Blame it on the President. He is spending all this money."

Well, here is the opportunity for we in Congress to suggest that we have a measure of responsibility by accepting the recommendation of our President for authorizing \$368 million, even though \$465 million was appropriated last year.

Now I admit that is a significant cut, but I encourage my colleagues to look at the broader picture and I hope we will have the intestinal fortitude to adopt this clarification amendment.

Mr. JONES of North Carolina. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, we have been here on this amendment for, I reckon, an hour or so, on the various amendments. I am surprised to learn the strength of the maritime profession, so that they can balance the budget, that they are responsible for American savings and loans' conditions and so forth and so on. But on a more serious note we have before us this afternoon a choice:

Are we going to treat each and every committee in the same manner, out of the same spoon?

All we are asking is that you let us offer the freeze language, and I repeat, the pure freeze language that has been adopted by every single other authorizing committee that has been on this House floor during this calendar year, that is all we are asking.

We go a step further to provide that even in so doing that no authorization can be increased by virtue of this action above that which the freeze provides for.

Bear in mind the freeze carries with it a built-in 10-percent reduction.

Now, the gentleman from Pennsylvania, in good faith I am sure, and he almost convinced me at one time but not quite, he comes up with an additional 10 percent.

Now, here again, and in closing on behalf of the committee of which I am very proud, it is a hard working committee; the minority and the majority get along very well together.

We come to the floor unified, not with amendments fighting one another.

So I ask you to consider where we are and what we are doing.

The first vote, if we ever get around to voting, will be on Mr. WALKER's 10-percent additional cut.

If that is defeated, and I beg and plead with the Members to defeat that amendment, then the next vote will be on the committee language which is an amendment offered by the committee to the original Walker amendment and in that instance the second vote I hope and plead that it will be successful.

So with that, Mr. Chairman, I do not have much more to say. We have made a good case. We have come in with a good, clean bill, one that showed strength and showed proper care and concern about the deficit.

So with that, asking for a "no" vote on the first Walker motion, a "yes" vote on the committee substitute, with that I yield back the balance of my time.

Mr. CARNEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I stand opposed to the Walker amendment.

Mr. Chairman, I have a unique position inasmuch as I serve on the Subcommittee of Merchant Marine and the Subcommittee of Naval Seapower.

So I look at this from the standpoint of two committees, two committees that are very, very important to our national defense. I think it would be somewhat imprudent to support the Walker amendment at this period of time. I would like to remind the Members of this body that it was in 1790 the President of the United States, our first President, George Washing-

ton, addressed this Congress and told this Congress they should, at all price, avoid the embarrassment of relying upon foreign shippers for our commerce and agriculture.

With that advice rendered to this Congress in 1790, is an important day as it was then. There is no reason whatsoever that of all the commerce that goes back and forth over the oceans of the world from the United States that our flagships only carry 4 percent of it. There is no reason at all that we had a merchant marine of 5,500 vessels in 1946 and we are now below 500 vessels.

Ladies and gentlemen, Mr. Chairman, the security of our Nation rests with the fact that we have a merchant marine to support our armed services. We at this point in time, I suggest, are at a crossroads. We have to go forward, we have to strengthen our capability, we have to increase and improve our flagships that we have today.

We can ill afford to let this reverse. These cuts would affect the Federal Maritime Academy, these cuts will affect the six State maritime schools. We cannot afford to do that.

In times of crisis is not the time that we go forward to try to train young men and women to command the ships at sea; you can ill afford to do that at that period of time. We have to be prepared.

□ 1610

And if we were to cut this budget any further, we would perhaps have to close some of the State schools. We have already cut the enrollment at the Federal Maritime Academy 20 percent. We can ill afford to do that, ladies and gentlemen.

This is a question of national security. This is a question of being able to conduct our commerce within the international community. This is not a question of budget. Ladies and gentlemen, I submit to you any further cuts would affect our ability to conduct commerce and would have an adverse effect on our economy, but more than that, any further cuts would make it necessary for us as a Nation to take this function over by our Navy. I am not in this well suggesting we should do that, but my God, we have to have the ships to support our security needs.

If we do not have them in the free enterprise system, then soon we will have to rely upon the Navy to provide them.

I suggest very strongly that we reject the Walker amendment, we go with the Jones amendment, and we pass this bill.

The CHAIRMAN. The question is on the perfecting amendment offered by the gentleman from Pennsylvania [Mr. WALKER] to the amendment offered by the gentleman from North Carolina [Mr. JONES] as a substitute

for the amendment offered by the gentleman from Pennsylvania [Mr. WALKER], as modified.

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. WALKER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 100, noes 318, not voting 16, as follows:

[Roll No. 111]

AYES—100

Archer	Hansen	Packard
Armey	Hendon	Pashayan
Badham	Hiler	Petri
Bartlett	Hillis	Porter
Barton	Hyde	Regula
Bereuter	Ireland	Ritter
Billiey	Jacobs	Rogers
Boulter	Johnson	Roth
Brown (CO)	Kasich	Rowland (CT)
Broyhill	Kastenmeier	Rudd
Burton (IN)	Kolbe	Schroeder
Cheney	Kramer	Sensenbrenner
Coats	Lagomarsino	Sharp
Cobey	Latta	Shumway
Coble	Leach (IA)	Shuster
Coleman (MO)	Lewis (FL)	Slaughter
Combest	Lightfoot	Smith (NE)
Courter	Lungren	Smith (NH)
Crane	Mack	Smith, Denny
Dannemeyer	Madigan	Spence
Delay	Marlenee	Stenholm
DeWine	Martin (IL)	Stump
Dorgan (ND)	McCain	Swindall
Dornan (CA)	McCandless	Tauke
Dreier	McCollum	Taylor
Eckert (NY)	McEwen	Walker
Fiedler	Meyers	Weber
Gekas	Miller (OH)	Whittaker
Gingrich	Monson	Wirth
Goodling	Moorhead	Wylie
Gradison	Myers	Young (FL)
Grothberg	Nielson	Zschau
Gunderson	Nowak	
Hammerschmidt	Oxley	

NOES—318

Ackerman	Burton (CA)	Durbin
Akaka	Bustamante	Dwyer
Alexander	Byron	Dymally
Anderson	Callahan	Dyson
Andrews	Campbell	Early
Annuzio	Carney	Eckart (OH)
Anthony	Carper	Edgar
Applegate	Carr	Edwards (CA)
Aspin	Chandler	Emerson
Atkins	Chappell	Erdreich
AuCoin	Chapple	Evans (IA)
Barnard	Clay	Fascell
Barnes	Clinger	Fawell
Bateman	Coelho	Fazio
Bates	Coleman (TX)	Feighan
Bedell	Collins	Fields
Beilenson	Conte	Fish
Bennett	Cooper	Flippo
Bentley	Coughlin	Florio
Berman	Coyne	Foglietta
Bevill	Craig	Foley
Biaggi	Crockett	Ford (MI)
Billirakis	Daniel	Ford (TN)
Boehlert	Darden	Frank
Boggs	Daschle	Franklin
Boland	Daub	Frost
Boner (TN)	Davis	Fuqua
Bonior (MI)	de la Garza	Gallo
Bonker	Dellums	Garcia
Borski	Derrick	Gaydos
Bosco	Dickinson	Gejdenson
Boucher	Dicks	Gephardt
Boxer	Dingell	Gibbons
Breaux	DiGuardi	Gilman
Brooks	Dixon	Glickman
Broomfield	Donnelly	Gonzalez
Brown (CA)	Dowdy	Gordon
Bruce	Downey	Gray (IL)
Bryant	Duncan	Gray (PA)

Green	McCurdy	Schulze
Gregg	McDade	Schumer
Guarini	McGrath	Seiberling
Hall (OH)	McHugh	Shaw
Hall, Ralph	McKernan	Shelby
Hall, Sam	McKinney	Sikorski
Hamilton	McMillan	Siljander
Hartnett	Mica	Siskis
Hatcher	Michel	Skeen
Hawkins	Mikulski	Skelton
Hayes	Miller (CA)	Slatery
Hefner	Miller (WA)	Smith (FL)
Heftel	Mineta	Smith (IA)
Henry	Mitchell	Smith (NJ)
Hertel	Moakley	Smith, Robert
Hopkins	Molinar	Snowe
Horton	Mollohan	Snyder
Howard	Montgomery	Solarz
Hoyer	Moody	Spratt
Hubbard	Moore	St Germain
Hughes	Morrison (CT)	Staggers
Hunter	Morrison (WA)	Stallings
Hutto	Mrazek	Stangeland
Jeffords	Murphy	Stokes
Jenkins	Murtha	Strang
Jones (NC)	Natcher	Stratton
Jones (OK)	Neal	Studds
Jones (TN)	Nelson	Sundquist
Kanjorski	Nichols	Sweeney
Kaptur	Oaker	Swift
Kemp	Oberstar	Synar
Kennelly	Obey	Tallon
Kildee	Olin	Tauzin
Kindness	Ortiz	Thomas (CA)
Kiecza	Owens	Thomas (GA)
Kolter	Panetta	Torres
Kostmayer	Parris	Torricelli
LaFalce	Pease	Towns
Lantos	Penny	Trafficant
Leath (TX)	Perkins	Traxler
Lehman (CA)	Pickle	Valentine
Lehman (FL)	Price	Vander Jagt
Leland	Pursell	Vento
Lent	Quillen	Visclosky
Levin (MI)	Rangel	Volkmer
Levine (CA)	Ray	Vucanovich
Lewis (CA)	Reid	Walgren
Lipinski	Richardson	Watkins
Livingston	Ridge	Waxman
Lloyd	Rinaldo	Weaver
Loeffler	Robinson	Weiss
Long	Rodino	Wheat
Lott	Roe	Whitehurst
Lowery (CA)	Roemer	Whitley
Lowry (WA)	Rose	Whitten
Lujan	Rostenkowski	Williams
Luken	Roukema	Wilson
Lundine	Rowland (GA)	Wise
MacKay	Roybal	Wolf
Manton	Russo	Wolpe
Markey	Sabo	Wortley
Martin (NY)	Savage	Wright
Martinez	Saxton	Wyden
Matsui	Schaefer	Yates
Mavroules	Scheuer	Yatron
Mazzoli	Schneider	Young (AK)
McCloskey	Schuetz	Young (MO)

NOT VOTING—16

Addabbo	Frenzel	Roberts
Conyers	Holt	Solomon
Edwards (OK)	Huckaby	Stark
English	O'Brien	Udall
Evans (IL)	Pepper	
Fowler	Rahall	

□ 1620

Messrs. HUNTER, FEIGHAN, and YATES changed their votes from "aye" to "no."

Mr. COATS and Mr. DELAY changed their votes from "no" to "aye."

So the perfecting amendment to the amendment offered as a substitute for the amendment, as modified, was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina [Mr. JONES] as a substitute for the amendment of-

ferred by the gentleman from Pennsylvania [Mr. WALKER], as modified.

The amendment offered as a substitute for the amendment, as modified, was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. WALKER], as amended.

The amendment, as amended, was agreed to.

□ 1630

The CHAIRMAN. Are there further amendments to be offered?

If not, under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore [Mr. BROWN of California] having assumed the chair, Mr. SAM B. HALL, Jr., Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1157) to authorize appropriations for fiscal year 1986 for certain maritime programs of the Department of Transportation and the Federal Maritime Commission, pursuant to House Resolution 157, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill. The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. DANNEMEYER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 371, nays 46, not voting 17, as follows:

[Roll No. 112]

YEAS—371

Ackerman	Bennett	Breaux
Akaka	Bentley	Brooks
Alexander	Bereuter	Broomfield
Anderson	Berman	Brown (CA)
Andrews	Bevill	Bruce
Annuzio	Blaggi	Bryant
Anthony	Billakis	Burton (CA)
Applegate	Bliley	Burton (IN)
Aspin	Boehlert	Bustamante
Atkins	Boggs	Byron
AuCoin	Boland	Callahan
Badham	Boner (TN)	Campbell
Barnard	Bonior (MI)	Carney
Barnes	Borski	Carper
Bateman	Bosco	Carr
Bates	Boucher	Chandler
Bedell	Boulter	Chappell
Beilenson	Boxer	Chapple

Clay	Hiler	Natcher
Clinger	Hillis	Neal
Coats	Hopkins	Nelson
Coelho	Horton	Nichols
Coleman (MO)	Howard	Nowak
Coleman (TX)	Hoyer	Oakar
Collins	Hubbard	Oberstar
Conte	Hughes	Obey
Cooper	Hunter	Olin
Coughlin	Hutto	Ortiz
Courter	Hyde	Owens
Coyne	Ireland	Packard
Crockett	Jeffords	Panetta
Daniel	Jenkins	Parris
Darden	Johnson	Pashayan
Daschle	Jones (NC)	Pease
Daub	Jones (OK)	Penny
Davis	Jones (TN)	Perkins
de la Garza	Kanjorski	Pickle
Delay	Kaptur	Porter
Dellums	Kasich	Price
Derrick	Kemp	Pursell
DeWine	Kennelly	Quillen
Dickinson	Kildee	Rangel
Dicks	Kinross	Ray
Dingell	Kleczka	Regula
DioGuardi	Kolbe	Reid
Dixon	Kostmayer	Richardson
Donnelly	LaFalce	Ridge
Dorgan (ND)	Lagomarsino	Rinaldo
Dowdy	Lantos	Ritter
Downey	Leath (TX)	Robinson
Duncan	Lehman (CA)	Rodino
Durbin	Lehman (FL)	Roe
Dwyer	Leland	Roemer
Dymally	Lent	Rogers
Dyson	Levin (MI)	Rose
Early	Levine (CA)	Rostenkowski
Eckart (OH)	Lewis (CA)	Roukema
Eckert (NY)	Lewis (FL)	Rowland (CT)
Edgar	Lipinski	Rowland (GA)
Edwards (CA)	Livingston	Roybal
Emerson	Lloyd	Russo
Erdreich	Loeffler	Sabo
Evans (IA)	Long	Savage
Fascell	Lott	Saxton
Fawell	Lowery (CA)	Schaefer
Fazio	Lowry (WA)	Scheuer
Feighan	Lujan	Schneider
Fiedler	Lukens	Schuetz
Fields	Lundine	Schulze
Fish	Mack	Schumer
Flippo	MacKay	Seiberling
Florio	Manton	Sharp
Foglietta	Markley	Shaw
Foley	Marlenee	Shelby
Ford (MI)	Martin (NY)	Shumway
Ford (TN)	Martinez	Sikorski
Frank	Matsui	Siljander
Franklin	Mavroules	Sisisky
Frost	Mazzoli	Skeen
Fuqua	McCain	Skelton
Gallo	McCandless	Slatery
Garcla	McCloskey	Slaughter
Gaydos	McCollum	Smith (FL)
Gejdens	McCurdy	Smith (IA)
Gephardt	McDade	Smith (NJ)
Gibbons	McEwen	Smith, Robert
Gilman	McGrath	Snowe
Gingrich	McHugh	Snyder
Glickman	McKernan	Solarz
Gonzalez	McKinney	Spence
Goodling	McMillan	Spratt
Gordon	Meyers	Staggers
Gradison	Mica	Stallings
Gray (IL)	Michel	Stangeland
Gray (PA)	Mikulski	Stenholm
Green	Miller (CA)	Stokes
Gregg	Miller (OH)	Strang
Grotberg	Miller (WA)	Stratton
Guarini	Mineta	Studds
Gunderson	Mitchell	Sundquist
Hall (OH)	Moakley	Sweeney
Hall, Ralph	Molinari	Swift
Hall, Sam	Mollohan	Synar
Hamilton	Montgomery	Tallon
Hammerschmidt	Moody	Tauzin
Hartnett	Moore	Taylor
Hatcher	Moorhead	Thomas (CA)
Hawkins	Morrison (CT)	Thomas (GA)
Hayes	Morrison (WA)	Torres
Hefner	Mrazek	Torricelli
Heftel	Murphy	Towns
Hendon	Murtha	Trafficant
Henry	Myers	Traxler
Hertel		Valentine

Vander Jagt	Wheat	Wortley
Vento	Whitehurst	Wright
Visclosky	Whitley	Wyden
Volkmer	Whitten	Wyllie
Vucanovich	Williams	Yatron
Walgren	Wilson	Young (AK)
Watkins	Wirth	Young (FL)
Waxman	Wise	Young (MO)
Weaver	Wolf	Zschau
Weiss	Wolpe	

NAYS—46

Archer	Gekas	Rudd
Armey	Hansen	Schroeder
Bartlett	Jacobs	Sensenbrenner
Barton	Kastenmeier	Shuster
Brown (CO)	Kramer	Smith (NE)
Broyhill	Latta	Smith (NH)
Cheney	Leach (IA)	Smith, Denny
Cobey	Lightfoot	Stump
Coble	Lungren	Swindall
Combust	Madigan	Tauke
Craig	Martin (IL)	Walker
Crane	Monson	Weber
Dannemeyer	Nielson	Whittaker
Dornan (CA)	Oxley	Yates
Dreier	Petri	
Edwards (OK)	Roth	

NOT VOTING—17

Addabbo	Frenzel	Roberts
Bonker	Holt	Solomon
Conyers	Huckaby	St Germain
English	O'Brien	Stark
Evans (IL)	Pepper	Udall
Fowler	Rahall	

□ 1640

Mr. ARCHER and Mr. DORNAN of California changed their votes from "yea" to "nay."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 1626

Mr. ST GERMAIN. Mr. Speaker, I ask unanimous consent that my name be deleted as a cosponsor of H.R. 1626, the Asbestos Workers Compensation Act.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

□ 1650

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 778

Mr. MILLER of Ohio. Mr. Speaker, I ask unanimous consent that my name be removed from the list of cosponsors of the bill, H.R. 778.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

SOCIAL SECURITY MINOR AND TECHNICAL CHANGES ACT OF 1985

The SPEAKER pro tempore. Pursuant to the provisions of clause 5 of rule I, the pending business is the question of suspending the rules and

passing the bill, H.R. 2005, as amended.

The Clerk read the title of the bill. The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Illinois [Mr. ROSTENKOWSKI] that the House suspend the rules and pass the bill, H.R. 2005, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 413, nays 0, not voting 21, as follows:

[Roll No. 113]

YEAS—413

Ackerman	Crane	Hall (OH)
Akaka	Crockett	Hall, Ralph
Alexander	Daniel	Hall, Sam
Anderson	Dannemeyer	Hamilton
Andrews	Darden	Hammerschmidt
Annuzio	Daschle	Hansen
Anthony	Daub	Hartnett
Applegate	Davis	Hatcher
Archer	de la Garza	Hawkins
Armedy	Delay	Hayes
Aspin	Dellums	Hefner
Atkins	Derrick	Heftel
AuCoin	DeWine	Hendon
Badham	Dickinson	Henry
Barnard	Dicks	Hertel
Barnes	Dingell	Hiller
Bartlett	DioGuardi	Hillis
Bateman	Dixon	Hopkins
Bates	Donnelly	Horton
Bedell	Dorgan (ND)	Howard
Beilenson	Dornan (CA)	Hoyer
Bennett	Dowdy	Hubbard
Bentley	Downey	Hughes
Bereuter	Dreier	Hunter
Berman	Duncan	Hutto
Bevill	Durbin	Hyde
Biaggi	Dwyer	Ireland
Bilirakis	Dymally	Jacobs
Billey	Dyson	Jeffords
Boehlert	Early	Jenkins
Boggs	Eckart (OH)	Johnson
Boland	Eckert (NY)	Jones (OK)
Boner (TN)	Edgar	Jones (TN)
Bonior (MI)	Edwards (CA)	Kanjorski
Borski	Edwards (OK)	Kaptur
Bosco	Emerson	Kasich
Boucher	Erdreich	Kastenmeier
Boulter	Evans (IA)	Kennelly
Boxer	Fascell	Kildee
Breaux	Fawell	Kindness
Brooks	Fazio	Klecza
Broomfield	Feighan	Kolbe
Brown (CA)	Fiedler	Kolter
Brown (CO)	Fields	Kostmayer
Broyhill	Fish	Kramer
Bruce	Flippo	LaFalce
Bryant	Florio	Lagomarsino
Burton (CA)	Foglietta	Lantos
Burton (IN)	Foley	Latta
Bustamante	Ford (MI)	Leach (IA)
Byron	Ford (TN)	Leath (TX)
Callahan	Frank	Lehman (CA)
Campbell	Franklin	Lehman (FL)
Carney	Frost	Leland
Carper	Fuqua	Lent
Carr	Gallo	Levin (MI)
Chandler	Garcia	Levine (CA)
Chappell	Gaydos	Lewis (CA)
Chappie	Gejdenson	Lewis (FL)
Cheney	Gekas	Lightfoot
Clay	Gephardt	Lipinski
Clinger	Gibbons	Livingston
Coats	Gilman	Lloyd
Cobey	Gingrich	Loeffler
Coble	Glickman	Long
Coelho	Gonzalez	Lott
Coleman (MO)	Goodling	Lowery (CA)
Coleman (TX)	Gordon	Lowry (WA)
Collins	Gradison	Lujan
Combust	Gray (IL)	Lukens
Conte	Gray (PA)	Lundine
Cooper	Green	Lungren
Coughlin	Gregg	Mack
Courter	Grothberg	MacKay
Coyne	Guarini	Madigan
Craig	Gunderson	Manton

Markey	Perkins	Spratt
Marlenee	Petri	St Germain
Martin (IL)	Pickle	Staggers
Martin (NY)	Porter	Stallings
Martinez	Price	Stangeland
Matsui	Pursell	Stenholm
Mavroules	Quillen	Stokes
Mazzoli	Rangel	Strang
McCain	Regula	Stratton
McCandless	Reid	Studds
McCloskey	Richardson	Stump
McCollum	Ridge	Sundquist
McCurdy	Rinaldo	Sweeney
McDade	Ritter	Swift
McEwen	Robinson	Swindall
McGrath	Rodino	Synar
McHugh	Roe	Tallon
McKernan	Roemer	Tauke
McKinney	Rogers	Tauzin
McMillan	Rose	Taylor
Meyers	Rostenkowski	Thomas (CA)
Mica	Roth	Thomas (GA)
Michel	Roukema	Torres
Mikulski	Rowland (CT)	Torricelli
Miller (CA)	Rowland (GA)	Towns
Miller (OH)	Roybal	Traficant
Miller (WA)	Rudd	Traxler
Mineta	Russo	Valentine
Mitchell	Sabo	Vander Jagt
Moakley	Savage	Vento
Molinari	Saxton	Visclosky
Mollohan	Schaefer	Volkmer
Monson	Scheuer	Vucanovich
Montgomery	Schneider	Walgren
Moody	Schroeder	Walker
Moore	Schuetz	Watkins
Moorhead	Schulze	Waxman
Morrison (CT)	Schumer	Weaver
Morrison (WA)	Sensenbrenner	Weber
Mrazek	Sharp	Weiss
Murphy	Shaw	Wheat
Murtha	Shelby	Whitehurst
Myers	Shumway	Whitley
Natcher	Shuster	Whittaker
Neal	Sikorski	Whitten
Nelson	Siljander	Williams
Nichols	Sisisky	Wilson
Nielson	Skeen	Wirth
Nowak	Skeltan	Wise
Oakar	Slattery	Wolf
Oberstar	Slaughter	Wolpe
Obeys	Smith (FL)	Wortley
Olin	Smith (IA)	Wright
Ortiz	Smith (NE)	Wyden
Owens	Smith (NH)	Wylie
Oxley	Smith (NJ)	Yates
Packard	Smith, Denny	Yatron
Panetta	Smith, Robert	Young (AK)
Parris	Snowe	Young (FL)
Pashayan	Snyder	Young (MO)
Pease	Solarz	Zschau
Penny	Spence	

NAYS—0

NOT VOTING—21

Addabbo	Frenzel	Rahall
Barton	Holt	Ray
Bonker	Huckaby	Roberts
Conyers	Jones (NC)	Selberling
English	Kemp	Solomon
Evans (IL)	O'Brien	Stark
Fowler	Pepper	Udall

□ 1700

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PROVIDING FOR CONSIDERATION OF H.R. 1555, INTERNATIONAL SECURITY AND DEVELOPMENT COOPERATION ACT OF 1985

Mr. HALL of Ohio. Mr. Speaker, by direction of the Committee on Rules, I

call up House Resolution 140 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 140

Resolved, That at any time after the adoption of this resolution, the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1555) to amend the Foreign Assistance Act of 1961, the Arms Export Control Act, and the Agricultural Trade Development and Assistance Act of 1954, to authorize development and security assistance programs for fiscal year 1986, and for other purposes, and the first reading of the bill shall be dispensed with. All points of order against the consideration of the bill for failure to comply with the provisions of section 303(a)(1) of the Congressional Budget Act of 1974 (Public Law 93-344) are hereby waived. After general debate, which shall be confined to the bill and to the amendment made in order by this resolution, and which shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs, the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Foreign Affairs now printed in the bill as an original bill for the purpose of amendment under the five-minute rule, said substitute shall be considered for amendment by titles instead of by sections and each title shall be considered as having been read, and all points of order against said substitute for failure to comply with the provisions of clause 7 of rule XVI and clause 5(a) of rule XXI are hereby waived. Debate under the five-minute rule on the bill and on said substitute, except for consideration of the amendment provided for in the succeeding sentence, shall be limited to a total of ten hours of debate. After the bill has been considered for amendment in its entirety and all other amendments have been disposed of, it shall be in order to consider an amendment in the nature of a substitute printed in the Congressional Record of April 24, 1985, by, and if offered by, Representative Broomfield of Michigan. Said amendment shall not be subject to amendment but shall be debatable for not to exceed two hours, to be equally divided and controlled by Representative Broomfield and the chairman of the Committee on Foreign Affairs or his designee, said substitute shall be considered as having been read, and all points of order against said substitute for failure to comply with the provisions of clause 5(a) of rule XXI are hereby waived. After the disposition of said amendment, no further amendment to the bill or to the committee amendment in the nature of a substitute shall be in order. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

□ 1710

The SPEAKER pro tempore. The gentleman from Ohio [Mr. HALL] is recognized for 1 hour.

Mr. HALL of Ohio. Mr. Speaker, I yield the customary 30 minutes to the gentleman from Tennessee [Mr. QUILLLEN] for purposes of debate, only; pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 140 is a modified open rule providing for the consideration of H.R. 1555, the International Security and Development Cooperation Act of 1985.

The rule provides for 1 hour of general debate to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs. The bill shall be considered for amendment under the 5-minute rule.

It should be noted that the rule waives a point of order against the bill for failure to comply with section 303(a)(1) of the Congressional Budget Act. Section 303(a)(1) prohibits consideration of any measure which would provide new budget authority for a fiscal year before the adoption of the first concurrent resolution on the budget for such fiscal year.

Section 106 of H.R. 1555 as introduced would create new budget authority first effective in fiscal year 1986 by appropriating funds to pay claims under guarantees for which guarantee reserves are inadequate. Since the first budget resolution for fiscal year 1986 has not yet been adopted, the bill would violate section 303(a)(1) of the Budget Act. However, the Committee on Foreign Affairs, in marking up this legislation, amended section 106 to authorize rather than appropriate funds for fiscal 1986. Therefore, the committee amendment would cure this Budget Act violation.

The rule makes in order a committee amendment in the nature of a substitute now printed in the bill as original text for the purpose of amendment under the 5-minute rule. To expedite consideration, the rule provides that the substitute shall be considered by titles, instead of by sections, and each title shall be considered as read.

House Resolution 140 also waives all points of order against the committee substitute for failure to comply with the provisions of clause 7 of rule XVI. This is the prohibition against nongermane amendments. There are several provisions of the substitute which technically would be considered nongermane. For example, section 717 of the substitute concerns the expanded use of employee stock ownership plans in Central America and the Caribbean.

In addition, the rule waives clause 5(a) of rule XXI against the committee substitute. This waiver is necessary because several provisions of the substitute might technically be considered appropriations in a legislative bill. For

example, section 115 permits the use of funds derived from charges for administrative services to be used each fiscal year for official reception and representation expenses.

The rule further limits debate on amendments to the bill and committee substitute to 10 hours, except for debate on the Broomfield substitute.

After all other amendments have been disposed of, an amendment in the nature of a substitute printed in the CONGRESSIONAL RECORD of April 24, 1985, by Mr. BROOMFIELD of Michigan shall be in order. The Broomfield substitute shall be considered as read, and shall not be subject to amendment.

Like the committee substitute, the Broomfield substitute is granted a waiver of clause 5(a) of rule XXI. This is the rule prohibiting appropriations in a legislative measure.

The rule provides 2 hours of debate on the Broomfield substitute, to be equally divided and controlled by Representative BROOMFIELD and the chairman of the Committee on Foreign Affairs or his designee.

Under the rule, no further amendments are in order after disposition of the Broomfield substitute. However, the rule provides one motion to recommend with or without instructions.

Mr. Speaker, H.R. 1555 is a comprehensive foreign aid bill which authorizes security and economic assistance programs for fiscal 1986 and fiscal 1987. Excluding the increases in the committee measure for Israel and Egypt, which were requested by the administration, the authorizations for fiscal 1986 are below the amounts contained in the continuing appropriations resolution for fiscal 1985. The amounts in the legislation for programs in fiscal 1987 are exactly the same as those for fiscal 1986, thus freezing funding.

The Foreign Affairs Committee deserves to be commended for its responsible approach to foreign aid funding. Except for increases for Egypt and Israel, the overall funding for military foreign aid is actually \$200 million below the fiscal 1985 levels. FMS financing, grant military assistance, and grant military education and training programs have been reduced from the executive branch request by over \$425 million. As the principal sponsor of the Human Needs and World Security Act in the 98th Congress, I am pleased that the committee has acted to restrain the growth of the military component of foreign aid. The committee's approach in this regard also reflects some of the concerns which were expressed during the debate on the Dorgan-Hall amendment to last year's Foreign Aid Authorization bill.

I also wish to commend Chairman FASCELL for section 124 of the committee bill. This provision requires the President to submit to Congress a report on conventional arms transfers.

The points to be contained in the report reflect the concerns of my bill, H.R. 1415, the Conventional Arms Transfer Control Act. Through the reporting requirements of section 124, the committee is urging the administration to consider a multitask approach to achieving conventional arms transfer limitations. The report will examine the prospects for conventional arms transfer talks with the Soviet Union, measures with the non-Communist arms suppliers to control conventional arms transfers, and discussions between global arms suppliers and arms recipients in the developing world. I am pleased that the committee shares my concern about the urgent need to address the matter of worldwide conventional arms transfers.

I particularly commend the committee for section 905 and section 906 of their legislation. Section 905 concerns multiyear commitments for agricultural commodities with private voluntary organizations. Section 906 amends three titles of Public Law 480 to give greater emphasis to child immunization among the activities authorized by that act. Both section 905 and section 906 are similar to provisions included in H.R. 1889, a bill I developed with the Select Committee on Hunger.

Section 906 would set a target for developing nations receiving U.S. food assistance to provide for the immunization of at least 3 million more children by 1987 above the number receiving immunizations against disease in 1985. For every 100 children in developing nations who are immunized against the major diseases of childhood, an average of 5 lives are saved, with an equal number of children spared from being crippled. Thus, if the target of immunizing 3 million children is met, about 300,000 children will be saved from fatal or crippling diseases. I wish to commend the gentleman from Connecticut [Mr. GEJDENSON] of offering the amendment which became section 906 and the gentleman from New York [Mr. GILMAN] for offering the amendment which became section 905.

In addition, I wish to thank Chairman FASCELL for recommending a 4-year extension of the Food Security Wheat Reserve, which falls under the jurisdiction of both the Committee on Foreign Affairs and the Committee on Agriculture. It is my hope that this recommendation, which is supported by the Select Committee on Hunger and was one of the provisions of H.R. 1889, will be acted upon favorably as part of the farm bill.

Finally, I commend the committee for increasing funding for the Peace Corps by \$7.5 million above the fiscal 1985 appropriation. This increase is to be used to the maximum extent possible to support the agency's African

Food Systems Initiative Program. As both a former Peace Corps volunteer and the Chairman of the International Task Force of the Select Committee on Hunger, I believe that this program could contribute significantly to easing the hunger and suffering in the famine-afflicted regions of Africa.

In addition, I am pleased that the committee has set a target of an increase of 10,000 Peace Corps volunteers by the end of fiscal year 1989. This goal is similar to that of legislation I was pleased to cosponsor with the gentleman from Iowa [Mr. LEACH].

It is always difficult to craft a Foreign Aid authorization bill. The committee has handled this challenge admirably this year.

While there will be controversy over some of the provisions of this legislation, I am not aware of any opposition to this bipartisan rule. The Rules Committee was advised that both the minority and the majority support this equitable rule. I urge my colleagues to adopt it.

Mr. QUILLLEN. Mr. Speaker, I yield myself as much time as I may use.

Mr. Speaker, the rule has been ably explained. It provides 1 hour of general debate, then 10 hours under the 5 minute rule and 2 additional hours for the Broomfield substitute.

Foreign aid has always been a controversial issue in the House of Representatives since I became a Member in 1963. I remember once in the early 1960's the foreign aid bill held up the House until Christmas eve and it is no different now. There has not been an authorization bill passed and signed into law for the last 3 years.

I think it is time that we got down to business and hammered out a bill that no doubt will be controversial when it is debated on the floor. But this rule gives the Members an opportunity to express their views and to vote as they see fit on the various amendments that might be offered and on final passage when it is presented.

Mr. Speaker, I urge that the House get down to business and hammer out a foreign aid bill one way or the other, either pro or con.

I have no requests for time but, Mr. Speaker, I reserve the balance of my time.

Mr. HALL of Ohio. Mr. Speaker, I have no requests for time, and I move the previous question on the resolution.

The previous question was ordered. The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore, announced that the ayes appeared to have it.

Mr. QUILLLEN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 400, nays 2, not voting 32, as follows:

[Roll No. 114]

YEAS—400

Ackerman	Dicks	Hutto
Akaka	Dingell	Hyde
Alexander	DioGuardi	Ireland
Anderson	Dixon	Jacobs
Andrews	Donnelly	Jeffords
Annunzio	Dorgan (ND)	Jenkins
Anthony	Dornan (CA)	Johnson
Applegate	Dowdy	Jones (NC)
Archer	Downey	Jones (OK)
Armey	Dreier	Jones (TN)
Aspin	Duncan	Kanjorski
Atkins	Durbin	Kaptur
AuCoin	Dwyer	Kasich
Badham	Dymally	Kastenmeier
Barnard	Dyson	Kennelly
Barnes	Early	Kildee
Bartlett	Eckart (OH)	Kindness
Bateman	Eckert (NY)	Klecza
Bates	Edgar	Kolbe
Bedell	Edwards (CA)	Kolter
Bellenson	Edwards (OK)	Kostmayer
Bennett	Emerson	Kramer
Bentley	Erdreich	LaFalce
Bereuter	Evans (IA)	Lagomarsino
Berman	Fascell	Lantos
Bevill	Fawell	Latta
Biaggi	Fazio	Leach (IA)
Billakis	Feighan	Leath (TX)
Bliley	Fiedler	Lehman (CA)
Boehlert	Fields	Lehman (FL)
Boggs	Fish	Leland
Boland	Filippo	Lent
Boner (TN)	Florio	Levin (MI)
Borski	Foglietta	Levine (CA)
Bosco	Foley	Lewis (CA)
Boucher	Ford (MI)	Lewis (FL)
Boulter	Ford (TN)	Lightfoot
Boxer	Frank	Lipinski
Breaux	Franklin	Livingston
Brooks	Frost	Lloyd
Broomfield	Fuqua	Loeffler
Brown (CA)	Gallo	Long
Brown (CO)	Garcia	Lowery (CA)
Broyhill	Gaydos	Lowry (WA)
Bruce	Gejdenson	Lujan
Bryant	Gekas	Luken
Burton (CA)	Gephardt	Lundine
Burton (IN)	Gibbons	Lungren
Bustamante	Gilman	Mack
Byron	Gingrich	MacKay
Callahan	Glickman	Madigan
Campbell	Gonzalez	Manton
Carney	Goodling	Markey
Carper	Gordon	Marlenee
Carr	Gradison	Martin (IL)
Chandler	Gray (IL)	Martinez
Chappell	Gray (PA)	Matsui
Chapple	Green	Mazzoli
Cheney	Gregg	McCaIn
Clay	Grotberg	McCandless
Clinger	Guarini	McCloskey
Coats	Gunderson	McCollum
Cobey	Hall (OH)	McCurdy
Coble	Hall, Ralph	McDade
Coelho	Hall, Sam	McEwen
Coleman (MO)	Hamilton	McGrath
Coleman (TX)	Hammerschmidt	McHugh
Collins	Hansen	McKernan
Combest	Hartnett	McKinney
Conte	Hatcher	McMillan
Cooper	Hawkins	Meyers
Coughlin	Hayes	Mica
Courter	Hefner	Michel
Coyne	Heftel	Mikulski
Crane	Hendon	Miller (CA)
Crockett	Henry	Miller (OH)
Daniel	Hertel	Miller (WA)
Dannemeyer	Hill	Mineta
Darden	Hillis	Mitchell
Daschle	Hopkins	Moakley
de la Garza	Horton	Molinar
Delay	Howard	Mollohan
Dellums	Hoyer	Monson
Derrick	Hubbard	Montgomery
DeWine	Hughes	Moody
Dickinson	Hunter	Moore

Moorhead	Rowland (CT)	Sundquist
Morrison (CT)	Rowland (GA)	Sweeney
Morrison (WA)	Roybal	Swift
Murphy	Rudd	Swindall
Murtha	Russo	Synar
Myers	Sabo	Tallon
Natcher	Saxton	Tauke
Neal	Schaefer	Tauzin
Nelson	Scheuer	Taylor
Nichols	Schneider	Thomas (CA)
Nielson	Schroeder	Thomas (GA)
Nowak	Schuetz	Torres
Oakar	Schulze	Towns
Oberstar	Schumer	Traffant
Obey	Selberling	Traxler
Olin	Sensenbrenner	Valentine
Ortiz	Sharp	Vander Jagt
Owens	Shaw	Vento
Packard	Shelby	Visclosky
Panetta	Shumway	Volkmer
Parris	Shuster	Vucanovich
Pashayan	Sikorski	Walgren
Pease	Siljander	Walker
Penny	Sisisky	Watkins
Perkins	Skeen	Waxman
Petri	Skelton	Weber
Pickle	Slattery	Weiss
Porter	Slaughter	Wheat
Price	Smith (FL)	Whitley
Pursell	Smith (IA)	Whittaker
Quillen	Smith (NE)	Whitten
Rangel	Smith (NH)	Williams
Ray	Smith (NJ)	Wilson
Regula	Smith, Denny	Wirth
Reid	Smith, Robert	Wise
Richardson	Snowe	Wolf
Ridge	Snyder	Wolpe
Rinaldo	Solarz	Wortley
Ritter	Spence	Wright
Robinson	Spratt	Wyden
Rodino	St Germain	Wyllie
Roe	Stallings	Yates
Roemer	Stangeland	Yatron
Rogers	Stenholm	Young (FL)
Rose	Stokes	Young (MO)
Rostenkowski	Strang	Zschau
Roth	Stratton	
Roukema	Studds	

NAYS—2

Stump

NOT VOTING—32

Daub	Holt	Roberts
Addabbo	Huckaby	Savage
Barton	Kemp	Solomon
Bonior (MI)	Lott	Staggers
Bonker	Martin (NY)	Stark
Conyers	Mavroules	Torricelli
Craig	Mrazek	Udall
Davis	O'Brien	Weaver
English	Oxley	Whitehurst
Evans (IL)	Pepper	Young (AK)
Fowler	Rahall	
Frenzel		

□ 1730

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

COMMUNICATION FROM THE HONORABLE ED JONES OF TENNESSEE, MEMBER OF CONGRESS

The SPEAKER pro tempore laid before the House the following communication from Hon. Ed Jones of Tennessee, Member of Congress:

HOUSE OF REPRESENTATIVES,
Washington, DC, May 10, 1985.

HON. TIP O'NEILL,
The Speakers Office, H-202, Washington, DC.

DEAR MR. SPEAKER: This is to notify you, pursuant to Rule L(50) of the Rules of the House, that several present and former

members of my staff, the staff of the Subcommittee on Services, and the staff of the House Restaurant System have received subpoenas issued by the United States District Court for the District of Columbia.

In consultation with the General Counsel to the Clerk of the House, I have determined that it is consistent with the privileges and precedents of the House to comply with these subpoenas, under the guidance of counsel, and within the parameters established by the privileges and precedents of the House.

Sincerely,

ED JONES,
Member of Congress.

SACCHARIN STUDY AND LABELING ACT AMENDMENTS OF 1985

Mr. WAXMAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 484) to amend the Saccharin Study and Labeling Act, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mr. BROYHILL. Mr. Speaker, reserving the right to object, I take this time for the purpose of asking the gentleman from California to give us a short explanation of what is contained in this legislation.

Mr. WAXMAN. I thank the gentleman for asking the question and yielding to me.

Mr. Speaker, this legislation extends the moratorium on FDA action regarding saccharin for 2 additional years. As in the case of the two previous extensions of this moratorium, S. 484 prohibits FDA from taking regulatory action based upon studies available prior to November 23, 1977. The legislation in no way affects the agency's authority to take regulatory action with respect to saccharin based on health studies that become available after that date.

Mr. BROYHILL. Mr. Speaker, I yield to the gentleman from Ohio [Mr. LUKEN].

Mr. LUKEN. I thank the gentleman for yielding to me, and I commend my colleague from California for urging extension of the saccharin moratorium. The ban of saccharin has a potential adverse effect on the health of some 60 to 80 million Americans. There are literally millions of diabetics across this country who use saccharin in managing their diets. There are thousands of Americans with heart disease who suffer from obesity but have few substitutes for saccharin in their diets. Despite the increasing use of aspartame, it cannot be used in processed foods, and its advent on the market has caused a precipitous drop in the use of saccharin, impeding FDA's efforts to quantify saccharin's potential cancer risks.

Since the FDA first proposed to ban saccharin as a food additive in 1977, the American public made clear to Congress and the FDA, through millions of letters, their preference that saccharin remain freely available as an additive in beverages and food. A thorough evaluation of the health risks of saccharin have not been completed, but none of the latest studies or assessments suggest that saccharin poses a major health hazard.

□ 1740

Therefore, while this evaluation is going on, I commend the gentleman from California and the gentleman from North Carolina on proceeding with this moratorium.

Mr. BROYHILL. I thank the gentleman for his comments.

Mr. FOLEY. Mr. Speaker, will the gentleman yield?

Mr. BROYHILL. I yield to the gentleman from Washington.

Mr. FOLEY. Mr. Speaker, I just want to join in thanking the chairman and the ranking minority member for taking this action in calling this legislation up before the House. I agree with the comments of the gentleman from Ohio [Mr. LUKEN] as to its value and importance.

Mr. BROYHILL. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. STALLINGS). Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 484

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3 of the Saccharin Study and Labeling Act (21 U.S.C. 348 nt.) is amended by striking out "During the period beginning on the date of enactment of this Act and ending twenty-four months after the date of enactment of the Saccharin Study and Labeling Act Amendment of 1983" and inserting in lieu thereof "During the period ending May 1, 1987".

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. WAXMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the Senate bill just considered and passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

KEVIN PRICE AND TIM MORRIS RECEIVE NATIONAL ALERT YOUTH AWARD

(Mr. DANIEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. DANIEL. Mr. Speaker, recently, two young men from Martinsville, VA, were honored for their rescue of a neighbor who, without their intervention, would have lost her life.

Late on a Sunday afternoon in March, Kevin Price, and Tim Morris reacted swiftly to the sight of smoke coming from the home of Mrs. Mildred Jones, a neighbor of Morris'. For this act of heroism, they will receive the National Alert Youth Award.

The Martinsville Bulletin carried a report of this act of heroism, and I respectfully request that it be printed in the RECORD at this point.

Price and Morris are outstanding examples of the kind of bravery often displayed but seldom reported when the principals are in their teens, and I am proud of them, as I am sure all of you will be, too.

[From the Martinsville Bulletin, Mar. 11, 1985]

YOUNGSTERS PULL WOMAN FROM FIRE

(By Philip Tyson)

Firefighters say Mildred Jones probably would have died Sunday, if two teenagers hadn't rescued her from her burning house.

Tim Morris and Kevin Price, both seniors at Martinsville High School, broke through her front door and carried the elderly woman from her house at 1003 A St. to Morris' home across the street.

Martinsville Assistant Fire Chief F. Buren Jamison said with the fire as intense as it was when firefighters arrived, he didn't think anyone still inside could have been saved.

Morris and Price, who lives at 826 New York Ave., were walking along A Street near Mrs. Jones home late Sunday afternoon when they saw smoke coming from the front of the one-story home. When they got closer they saw flames inside.

There were other people at the front calling to see if anyone was inside. No one answered, so the two young men began to hit the locked front door until it gave way.

Inside, they could see the flames in a bedroom just to the right of the door. That was the bedroom of James Jones, the woman's son, who had left the house just a few minutes before the fire started.

Choking black smoke quickly filled the hallway leading to the back of the house, as the two searched inside, they said.

Mrs. Jones is an invalid, who gets around with a walker.

In her bedroom in the rear of the house, Morris and Price found Mrs. Jones sitting on her bed, apparently unaware of the fire.

"She didn't know what was going on," Price said, "She kept asking what we were doing there, and she kept saying 'I'm not leaving.'"

The two young men picked her up and placed her on Price's shoulder and took her back through the smoky hallway. They carried her from the house to Morris' house

across the street. She was taken to the local hospital.

When they found her, the heavy smoke had not yet reached her room. Price said she was gasping for breath because of an asthma condition.

"If it had been three or four more minutes," Price said, "she would have been dead."

After taking Mrs. Jones from the burning house, Morris tried to go back in the home to check for others inside or to rescue some possessions. But by that time, he said the smoke and flames were too intense, and he could not get past the door. No one else was inside.

Jamison said firefighters could see the smoke from Fayette Street as they drove toward A Street. There were flames seen when they got there.

"We couldn't get in there," Jamison said. "I don't see how she could have gotten out" if the two men hadn't reached her.

Jamison said the fire probably was started by a fuse "blown all to pieces" by an overloaded circuit.

The flames caught near a television set mounted in the ceiling in James Jones' room.

The actual fire damage was confined to that room. But heavy smoke and heat damage to the rest of the home make it unlivable.

Firefighters set the total damage at about \$10,000.

City Fire Chief J. Lloyd Gregory said Morris and Price were being nominated for an annual award from the Southwestern Virginia Firemen's Association recognizing their heroism. Martinsville volunteer fireman Danny Turner, is president of that organization.

And, about the hero treatment, "It feels real good, real nice," Morris said smiling.

Mrs. Jones was taken to the emergency room of Memorial Hospital of Martinsville and Henry County after the fire. She did not appear to suffer any serious injury, firefighters said.

INTRODUCTION OF PUBLIC BROADCASTING REAUTHORIZATION LEGISLATION

(Mr. OXLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OXLEY. Mr. Speaker, I am pleased to introduce legislation today which helps to preserve the long-term financial viability of our Nation's public broadcasting system by authorizing significant increases in Federal support for the system and by providing public broadcasting stations, on a voluntary basis, with the opportunity to earn supplemental income through ways that the law now prohibits.

My bill would authorize record Federal spending for the public broadcasting system. Federal funding for the Corporation for Public Broadcasting would be increased from \$137.5 million last year to \$240 million by fiscal year 1990, and Federal funding for the Public Telecommunications Facilities Program would be increased from \$12 million last year to \$20 million in fiscal year 1987. The following chart

shows funding levels for each year covered by the bill:

Corporation for Public Broadcasting Program	
Fiscal year:	
1987.....	\$200
1988.....	220
1989.....	230
1990.....	240
Public telecommunications facilities	
Fiscal year:	
1985.....	\$15
1986.....	18
1987.....	20

My bill also gives public broadcasting stations the opportunity, on a voluntary basis, to explore the possibility of earning supplemental revenues through the conduct of a second limited advertising test similar to the one that was carried out 3 years ago. As you know, an independent research firm concluded that the first test was highly successful, but the TCAF Commission, the group which conducted the experiment, found the positive results of the test to be inconclusive because it lasted less than a year. Thus, my bill will allow the experiment to resume for an additional 3 years under terms and conditions similar to those governing the first experiment.

My bill recognizes two fundamental principles. First, even with all of the revenue sources available to public broadcasting today, the industry is dangerously underfunded; it requires both a larger commitment of Federal dollars and a broader opportunity for stations to earn supplemental revenues from private sources.

Second, in light of two recent Presidential vetoes of public broadcasting legislation, the only way to ensure the full Federal funding provided in my bill is to include the provisions which allow stations to develop new sources of revenue, as we all remember, last year the President vetoed two public broadcasting funding bills which did not authorize new private revenue opportunities because he felt that the proposed Federal spending was too high. I know the President feels that the facilities funding provided in the bill I am introducing today is far too high. As a result, he may exercise his right to veto once again. The best way to guard against a veto is to include language in the bill giving stations significant new private sources of revenue because the President strongly supports these provisions. In fact, he has already hinted that he would sign legislation which provides increased Federal funding if the bill also opens up new supplemental private revenue opportunities. In his second veto message last year, the President stated:

Legislation that provides for Federal support of public broadcasting at realistic and reasonable levels and that provides public broadcasters with the means and incentives to explore alternative revenue sources would be both appropriate and welcome.

Some may argue that my bill should provide for even larger Federal appropriations. However, I want to say quite candidly that I feel the public broadcasting industry will be lucky if my bill is enacted even though some may be disappointed that it does not authorize larger appropriations. There is a growing mood in Congress to freeze future Federal spending in all areas at existing levels because of soaring Federal deficits. As evidence, I would point out that the House of Representatives voted last month to freeze future spending at present levels for two popular programs—NASA and the National Science Foundation—despite the President's request for small spending increases. I feel that a freeze of public broadcasting funding at existing levels—\$159 million—would jeopardize the financial viability of the entire system, and thus my bill seeks a realistic increase.

While some may be disappointed that my bill does not increase Federal spending even more rapidly, these people should take comfort in the fact that my bill would authorize Federal spending increases for public broadcasting that are greater than the increases which are likely to be enacted for any other Federal program. Spending for public broadcasting would be increased under my bill while most programs are fighting hard to avoid spending cuts!

An additional observation: It has been suggested that increased Federal funding will be jeopardized if the legislation also includes provisions allowing public broadcasting stations to seek supplemental revenues from private sources. I want to make it crystal clear that the opposite is true: President Reagan has already vetoed two public broadcasting funding bills that did not contain a provision allowing for supplemental private fund raising. I believe he may do the same thing again this year unless we include such provision.

One final point: Senator GOLDWATER and CPB Chairman Landau have been tireless champions of the public broadcasting industry. With their continued leadership, I am hopeful that we can enact a piece of legislation which provides, in the President's words, "for realistic and reasonable" Federal support, as well as "the means and incentives" for public broadcasting to "explore alternative revenue sources." If we succeed, Senator GOLDWATER and Mrs. Landau deserve much of the credit. It would be a remarkable achievement at a time when the Federal budget deficit is at an all time high!

THE PROCUREMENT INTEGRITY ACT OF 1985

(Mr. ROWLAND of Connecticut asked and was given permission to address the House for 1 minute and to revise and extend his remarks and to include extraneous material.)

Mr. ROWLAND of Connecticut. Mr. Speaker, I rise this morning to discuss H.R. 2441, the Procurement Integrity Act of 1985. This bill is designed to stop ripoffs without layoffs.

Very simply, this proposal would require the chief executive officer of corporations holding civilian and defense contracts with the Government to certify in writing that these claims submitted are valid. Under this legislation, the CEO would be personally responsible for false claims. Corporate fraud in America is a national disgrace.

My bill would not penalize the hard-working employees who have never played any part in this fraudulent activity. It would impose strict criminal and civil penalties of the individual responsible, the CEO.

Recent attempts by the Pentagon to crack down on fraud have gone by the wayside. In April, the Pentagon withdrew a get tough policy on procurement in just one month. It is obvious that the Pentagon buckled to severe pressure from defense contractors, but it is not the defense contractors who are responsible for our tax dollars; it is the Congress.

The American people are tired of picking up the newspaper and reading about \$700 pliers and \$1,700 coffee pots. It is time to stop this abuse. This legislation will act as a deterrent and offer a real solution to the problems that we face.

Following are my remarks at the State Capitol in Hartford, CT, and also H.R. 2441, "The Procurement Integrity Act of 1985":

STATEMENT OF CONGRESSMAN JOHN G. ROWLAND

I am here today to discuss new legislation I have just introduced that is called the "Procurement Integrity Act of 1985."

To put it simply, this bill is one of the toughest anticorporate fraud measures ever proposed. It's designed to stop ripoffs without layoffs.

My legislation would, for the first time, force the chief executive officers of large and medium-sized corporations to be personally responsible for submitting honest cost claims to the Government for military and civilian contracts. The CEO's of each company would have to certify in writing that all claims were valid.

No longer could the heads of these businesses hide behind the cloak of the corporate legal entity. No longer could they slough off the responsibility for fraudulent billings to some lower-level official. No longer could these chief executive officers make excuses to the taxpayers, the Congress, and the press that they had no way of knowing that their company was in effect stealing from the Government.

This bill would require CEO's to take hands-on involvement or be subject to

severe criminal and civil penalties in cases where they knowingly submitted false claims or should have known they were false. The heads of these corporations would face prison terms of 5 years per violation and could wind up personally paying an unprecedented amount in fines.

I'm aware that all too often the elite avoid prison even if they are convicted of a criminal offense. Taking that into account, my bill calls for the imposition of as much as \$750,000 in basic fines and added fines of an amount equal to two times the amount of the fraud. For example, if the fraud amounted to \$500,000, the added fine would total \$1 million.

Some may call those drastic measures and they are. Corporate fraud in America is nothing less than a national disgrace. One need only pick up the daily newspapers to read about the latest outrage that contractors, especially in the defense business, have committed.

Not only is this fraud an assault on the American taxpayer and a blow to deficit reduction, but it has the potential to seriously weaken our defense capability as long as the Pentagon is forced to pay \$718 dollars for duckbill pliers and \$1,700 for coffee pots.

Make no mistake about it, there is no difference between a common thief and a company that defrauds the Government.

I said before this bill was designed to stop ripoffs without layoffs. That brings me to the major reason why this bill is important. It would not penalize hard-working employees who have played no part in the fraud committed by their superiors.

I think the prosecution of the individuals directly responsible for fraud is a much better approach than suspension and debarment of the contractor. There is simply no reason to make hundreds or thousands of employees the losers because of crimes they did not commit. Of course, suspension and debarment may be the only ways to deal with some of the worst violators—but I would hope the passage of my bill would diminish the use of this penalty. Taking contracts away hurts the innocent employees, more than the CEO's.

Some people may argue, "why go after the chief executive officer? You can't possibly expect the heads of some of these large companies to personally certify all claims."

Well it's about time they did. And if not them, then who? The chief executive officers cannot be responsible for the actions of their companies in name only. They cannot be allowed to hide behind the corporate veil, particularly those who draw phenomenal salaries at the larger corporations.

CEO's whose salaries are in effect paid by the taxpayers should take direct responsibility for abuses by their companies. We've got to send a loud and clear message to these executives that if you want the title, you have to make a commitment to the taxpayers of this country.

Let me point out that my bill does not penalize a CEO where mathematical or technical errors are committed. I am not attempting to punish people who have committed honest mistakes or make a good-faith effort to weed out waste and fraud. I have no doubt that the vast majority of government contractors are decent and honest people.

The legislation also would not apply to smaller companies who do business with the Government. A company would have to do a minimum of \$100,000 worth of business with the Government for the CEO to be criminally liable. That is the standard that currently exists and it appears to be reasonable. Therefore, I would keep it.

Ladies and gentlemen, I am not claiming that my approach is the only way to attack the problem of corporate fraud. But there is another very important reason why the particular piece of legislation I have introduced is necessary.

Recently, there was some very distressing news from Washington. It seems that the Pentagon for some strange reason has decided to withdraw a new get-tough policy on procurement and has resumed making overhead payments to contractors that refuse to certify their claims in advance. The modified policy says that a contractor must certify claims only after the end of a fiscal year and only after it has gotten advance payments for nearly all overhead expenses.

To me that is a policy of defeat. It is an approach that makes no sense from a department that has taken credit—with some justification—for uncovering a lot of the abuses we have heard so much about.

What my Proposal will do is reverse this defeatist approach to the problem of corporate fraud. There have been too many people talking about this problem. Enough talking! The taxpayers are demanding we do something.

Ladies and gentlemen, let me conclude by saying that the bill I am announcing today is the outgrowth of comments I made on March 6 when I introduced the Income Maintenance Integrity Act—which is my plan to weed out welfare fraud in all 50 States while helping the truly needy. I said at that time that while welfare fraud was and remains a serious problem, I was equally concerned with fraud committed by corporations doing business with the Government. My Procurement Integrity Act grew directly out of that concern. I am determined to push as hard as I can for passage of both pieces of legislation. On behalf of the taxpayers, I hope the Congress gives both bills very serious consideration.

Thank you very much. I would be happy to answer any questions.

H.R. 2441.—A bill to amend the Federal Property and Administrative Services Act of 1949 and title 10, United States Code, to provide for civil and criminal penalties for prime contractors and subcontractors who submit false cost data, and for certain officers of such prime contractors and subcontractors

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Procurement Integrity Act of 1985".

SEC. 2. PENALTIES FOR SUBMISSION OF FALSE COST OR PRICING DATA UNDER FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT OF 1949.

Section 304(d) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 254(d)) is amended by adding at the end thereof the following new paragraphs:

"(6)(A) A civil action under section 3730 of title 31, United States Code, may be brought—

"(i) against any person who submits any false cost or pricing datum under paragraph (1) and who knew or should have known that such datum was false; and

"(ii) against the chief executive officer (or the equivalent of such officer), of any prime contractor (or subcontractor) that submits any false cost or pricing datum under paragraph (1), if such officer knew or, in the proper exercise of the authority of such of-

ficer, should have known that such datum was false.

"(B) Any person against whom a judgment is rendered in a civil action brought under section 3730 of title 31, United States Code, by reason of the provisions of subparagraph (A) shall be liable to the Government for—

"(i) a civil penalty of not more than \$500,000;

"(ii) an amount equal to 2 times the amount of the damage the Government sustains because of the act of such person in submitting any false cost or pricing datum; and

"(iii) the cost of such civil action.

"(7)(A) If any person submits any false cost or pricing datum under paragraph (1), and knew or should have known that such datum was false, such action shall be considered to be a violation of section 287 of title 18, United States Code.

"(B) The chief executive officer (or the equivalent of such officer), of any prime contractor (or subcontractor) that submits any false cost or pricing datum under paragraph (1), shall be considered to have violated section 287 of title 18, United States Code, if such officer knew or, in the proper exercise of the authority of such officer, should have known that such datum was false."

SEC. 3. PENALTIES FOR SUBMISSION OF FALSE COST OR PRICING DATA UNDER TITLE 18, UNITED STATES CODE.

Section 2306(f) of title 10, United States Code, is amended by adding at the end thereof the following new paragraphs:

"(6)(A) A civil action under section 3730 of title 31, United States Code, may be brought—

"(i) against any person who submits any false cost or pricing datum under paragraph (1) and who knew or should have known that such datum was false; and

"(ii) against the chief executive officer (or the equivalent of such officer), or any prime contractor (or subcontractor) that submits any false cost or pricing datum under paragraph (1), if such officer knew or, in the proper exercise of the authority of such officer, should have known that such datum was false.

"(B) Any person against whom a judgment is rendered in a civil action brought under section 3730 of title 31, United States Code, by reason of the provisions of subparagraph (A) shall be liable to the Government for—

"(i) a civil penalty of not more than \$500,000;

"(ii) an amount equal to 2 times the amount of the damage the Government sustains because of the act of such person in submitting any false cost or pricing datum; and

"(iii) the costs of such civil action.

"(7)(A) If any person submits any false cost or pricing datum under paragraph (1), and knew or should have known that such datum was false, such action shall be considered to be a violation of section 287 of title 18, United States Code.

"(B) The chief executive officer (or the equivalent of such officer), of any prime contractor (or subcontractor) that submits any false cost or pricing datum under paragraph (1), shall be considered to have violated section 287 of title 18, United States Code, if such officer knew or, in the proper exercise of the authority of such officer, should have known that such datum was false."

SEC. 4. APPLICABILITY.

The amendments made by this Act shall apply to submissions of cost or pricing data made on or after the date of the enactment of this Act.

JUNK BOND AND GREENMAIL TAX ACT OF 1985

(Mr. PICKLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. PICKLE. Mr. Speaker, today I am introducing the Junk Bond and Greenmail Tax Act of 1985 to discourage and limit business practices that threaten economic stability and occur mainly because of the present tax structure.

This is not an antimerger bill. It does not distinguish between hostile and friendly takeovers because Congress should not take sides in this controversy.

This is simply an attempt to bring some order to a chaotic situation by discouraging the excesses of both raiders and target companies.

Our Tax Code should not encourage corporate extortion called greenmail. Nor should we allow corporations to blatantly exploit tax provisions that give more favorable treatment to interest payments than dividend payments.

And we should not allow pension funds and federally insured financial institutions to play high risk games with junk bonds at taxpayer's risk.

We should protect our citizens against economic disasters by enacting reasonable limits on these excessive and abusive practices. I include with my remarks a summary of the bill and hope we can have your support.

SUMMARY OF THE JUNK BOND AND GREENMAIL TAX ACT OF 1985

JUNK BONDS

1. Deny the deduction for interest payments on junk bonds used for the acquisition of another corporation or the repurchase of a corporation's stock. Deduction for payments of commitment fees will also be disallowed and is applicable even if the bonds are not issued. A debt instrument is a junk bond if it meets any of these four tests and the total amount of the bond debt issued is in excess of \$30 million:

(a) The instrument is subordinated to trade creditors or a substantial amount of unsecured indebtedness of the corporation.

(b) The instrument has a non-investment grade rating and that rating is at least two grades below the rating of other substantial debt of the corporation.

(c) The yield to maturity is in excess of 135 percent of the applicable Federal rate.

(d) The total amount of the debt issue exceeds four times the net value of the assets of the corporation.

2. Prohibit any federally insured financial institution from acquiring junk bonds (defined as those insured by FDIC, FSLIC, or the National Credit Union Administration). Also, the fiduciary requirements of ERISA (Section 404) would not be met if junk bonds are acquired by the pension plan.

GREENMAIL

1. Greenmail profit will be treated as ordinary income. This is designed to deny capital gain treatment for greenmail profits. Greenmail profit is gain realized by any shareholder who: (1) holds the stock for less than two years; (2) made, announced or proposed a public tender offer during the two year period preceding the sale of his stock; and (3) receives consideration which is materially different in timing, type or value from that available to other shareholders. This provision will operate to recognize gain upon any disposition of stock by such shareholder including transfers to related persons or to shell corporations.

2. No deduction will be allowed for any payments of greenmail. (Defined as any payments by a corporation in redemption of its stock.) This is a re-statement of present IRS rules.

TAX PROVISIONS OF THE ECONOMIC EQUITY ACT

(Mr. WILLIAMS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WILLIAMS. Mr. Speaker, I am pleased to join my colleagues in cosponsoring the Economic Equity Act to ensure economic equality for women across a broad range of policies. Among the many reforms in this bill, I wish to draw special attention to the tax reform provisions. During the last 4 years we have seen a dramatic shift in the tax burden onto the backs of low- and middle-income families who pay personal income tax. Increasingly, corporations and the wealthy have gotten away without paying their fair share. For example, in 1980 private citizens paid 55 percent of the taxes collected in this country, while in 1984 they paid 83 percent.

Within income tax there has also been an accompanying shift in the tax burden on lower income people who have ironically seen their taxes increase 10 percent at the same time as families with incomes over \$80,000 have seen an 11-percent cut in their taxes. The amount of tax cut for these wealthy families alone was more than the total income of some poor families who paid taxes. In the 1960's and the 1970's the Congress and the President shared a commitment to eliminate taxation of those people who fell below the poverty line. Today families with incomes of \$2,000 below poverty face taxation. Seventy percent of these poor are older women and women who are single heads of households. In 1983 more than a third of all families headed by women fell below the poverty line, while only 8 percent of married families did so. Again, ironically, this tax burden is greatest on single mothers and large families. For example, in 1984, a single-parent family of four at the poverty level paid \$135 more in Federal taxes than a two-

parent family of four at the poverty level.

Not only have recent changes in the tax policy ignored and even increased the tax burden on the working poor, but current tax policies are still based on outdated notions of the economic reality for women. It has ignored the increasing number of single heads of families—often mothers with children who are one of the faster growing poverty groups; it has ignored that most women with children are working out of economic necessity—40 percent of working women have children and must purchase dependent care; and it has ignored the economic contribution of homemakers to their families by making them ineligible for spousal IRA's.

The Economic Equity Act proposes a variety of reforms to address these problems and attempts both to alleviate some of the current tax inequities and to establish priorities for women in the ongoing tax policy debate. First, the EEA would raise the zero bracket amount for single heads of households to that of married couples filing jointly. The EEA would index the earned income tax credit, the refundable tax credit that was enacted in 1975 exclusively for low-income workers with children, and would increase it from 11 to 16 percent of the first \$5,000 of earned income. Finally, the EEA would expand and index the dependent care tax credit and would gradually increase the allowable IRA contribution for nonworking spouses based on the working spouse's income to implement a feasible plan for spousal IRA's.

The founding mothers and fathers of this country realized that economic justice was the most basic measure of opportunity and fairness in a society and that tax policies truly reflected a Government's commitment to economic justice. It is thus thoroughly appropriate that one of the key sections of the Economic Equity Act this year includes tax reform for women and families.

JOINT CHIEFS OF STAFF REFORM MEASURES IN THE MILITARY COMMAND REORGANIZATION ACT OF 1985

(Mr. SKELTON asked and was given permission to address the House for 1 minute.)

Mr. SKELTON. Mr. Speaker, recently we celebrated the 40th anniversary of V-E Day. Many national leaders utilized this historical juncture to reaffirm their pledge to maintain the existing peace we enjoy today. It is essential that we recognize how vital the health of our Armed Forces is in preserving this cherished peace. In the words of this Nation's Father, George Washington, given at his first inaugural address, "To be prepared for war is

one of the most effectual means of preserving peace." As a result of my experience as a member of the Armed Services Committee I have identified serious problems that remain as impediments to an effective and efficiently run military, the first of which involves reform in the highest levels of our military command structure—the Joint Chiefs of Staff.

My bill to reorganize the Joint Chiefs of Staff includes the unpassed sections of last year's bill. It is my strong belief the groundwork completed in the 98th Congress will allow substantial portions of these changes to be enacted this session. We too, at this critical juncture, must reaffirm our pledge to strive on to finish the work we have begun in the area of the Joint Chiefs of Staff reform.

Let me briefly mention the fundamental flaws that still beleaguer the present Joint Chiefs of Staff structure.

The inherent conflict of interest caused by the dual hatting of the service chiefs.

The inability of the Joint Chiefs of Staff to provide clear, concise, timely, and responsive military advice.

The inability of the dual hatted service chiefs to do two jobs well—to be a member of the Joint Chiefs and to be a service chief.

Let me now address the major provisions of my bill that will eliminate those fundamental flaws:

My bill defines the National Command Authorities and establishes the military chain of command;

It abolishes the Joint Chiefs of Staff and the position of the Chairman of the Joint Chiefs of Staff;

It transfers the functions, powers, and duties of the Joint Chiefs of Staff and the Chairman, to a Chief of Staff of the National Command Authorities, and reconstitutes the present Joint Staff as the Joint Military Staff of the National Command Authorities.

It establishes the Chief of Staff as the principal military adviser to the President, the National Security Council and the Secretary of Defense on matters relating to current military policy, strategy, and major Department of Defense programs.

It establishes the National Military Council to provide the President and the Secretary of Defense with advice on matters pertaining to national security policy, national and military strategy, and independent assessments of the way in which national security policies and defense programs are carried out.

The Council will consist of five distinguished military leaders, either recalled from retirement or on their last assignment, and, at the discretion of the President, one civilian. They will hold four-star rank or equivalent while serving on the council.

This is probably the most important defense issue we will consider this year because it is one with the most enduring effect on our military posture. And I believe this Congress is performing a high service in continuing to address this topic now.

It is common knowledge that virtually every serious student and practitioner has recommended that the Joint Chiefs of Staff be strengthened. The near unanimity of their views can no longer be ignored. This has been a long, arduous trail for reform within the military and one can only look to the past and see the flaws of the past. It is up to us now to put an end to this history, as we did in commemoration of V-E Day. We must complete the reform of the Joint Chiefs of Staff. Thank you, Mr. Speaker.

VIEWS FROM BACK HOME

(Mr. WALGREN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WALGREN. Mr. Speaker, recently I asked Pittsburgh area residents of the district I am privileged to represent to give me their views on a number of important subjects by responding to my annual questionnaire. I am pleased to report that thousands—in fact, over 10,000 residents—took the time to answer. Many also wrote personal letters outlining their views in greater detail than is ever possible in multiple choice questionnaires.

I am grateful to each of the citizens who responded, and I would like to report the results of that survey to my colleagues in the U.S. House of Representatives.

(1) FAMILY ECONOMICS

Pennsylvania has been one of the areas hardest hit by the recent economic recession. Even in my generally well-off suburban district of Pittsburgh, hard times remain and many feel the national recovery has passed them by.

Over 37 percent of the responding residents said their family's overall economic situation now is "worse off than this time last year." Another 34 percent feel "about the same as this time last year," and only 29 percent feel "better off than this time last year."

When it comes to inflation in the family budget, western Pennsylvania residents are not fully convinced that "inflation is under control"—51 percent say it is, 49 percent disagree.

Pittsburgh still gets high marks as a place to live with 59 percent agreeing with the recent Rand-McNally assessment that Pittsburgh is the most livable city in America. But there is general pessimism about Pittsburgh's economy, with 55 percent believing that the next several years "under present

Government policies" will not be good for Pittsburgh.

A large part of the problem is the record trade deficit associated with the Reagan administration which has cost thousands of American manufacturing jobs that are concentrated in areas like Pittsburgh. By a 59- to 41-percent margin, western Pennsylvania residents think "Congress should protect American companies and workers from being harmed by foreign imports."

(2) CONGRESSIONAL PRIORITIES

Without question, cutting the Federal deficit is the No. 1 priority for Congress as far as the people from my area are concerned. Some 49 percent of the people picked that as their "most important priority for Congress."

Surprisingly, the next most frequently picked item was "improving the quality of life for senior citizens, the unemployed, and others who need the help of Government." Over 29 percent of the residents chose that as their No. 1 priority for Congress.

Only 9 percent checked "increasing our military defense," 7 percent checked "lowering the interest rates," and 6 percent picked "reducing Federal taxes" as their "most important priority."

(3) TAXES AND BALANCING THE BUDGET

While reducing that Federal deficit is the key problem western Pennsylvanians want Congress to address, opinion differs on how best to accomplish that.

Area residents recognize that the national debt has doubled during the Reagan administration with the Federal deficit rising from \$28 billion in 1979 to annual deficits of over \$200 billion. But only 40 percent believe "the deficit is so harmful to America's future that taxes should be raised to balance the budget."

Since the corporate tax contribution to Federal revenues has been cut from a high of 32 percent in 1952 to 6 percent in 1983, I asked what combination of taxes would be preferred "if taxes must go up to balance the budget." Some 53 percent of the residents said, if necessary, taxes should go up for both individuals and corporations. Another 40 percent would increase taxes on business alone, with 7 percent opting for individual tax increases instead.

On the specific question of how they would vote on the President's 1986 budget proposal, only 22 percent of western Pennsylvanians said they "support the President's plan to increase military spending, cut domestic spending, and not raise taxes."

The greatest number, some 45 percent, said they would cut the budget by "freezing all spending, including the military and Social Security, at current levels, but would not raise taxes." Another 33 percent said they

would "support a combination of tax increases and reduced Federal spending to make a significant cut in this year's deficit."

When it comes to "protecting" specific programs from budget cuts, Social Security has the most popular support with 51 percent wanting to protect that from any cuts. Other programs frequently singled out for protection from budget cuts were Medicare—by 40 percent, veterans benefits—by 25 percent, and student loans—by 25 percent.

Surprisingly, despite the President's strong views to the contrary, only 11 percent would exempt the military from budget cuts. Other programs not picking up great support for protection from cuts include small business loans—by 16 percent, and transit aid—by 13 percent.

When it comes to tax reform, replacing the current system with a "modified flat tax, eliminating almost all deductions now available except charitable contributions, local taxes, and home mortgage interest," 18th District residents are clear—73 percent favor.

(4) HEALTH AND FAMILY ISSUES

Nearly three out of four area residents responding to our questionnaire believe that "the living standard for America's senior citizens has improved over the past decade." But there is concern about the cost of nursing home care which, unless you are a welfare recipient, is generally paid from the savings of individual families. Some 46 percent of those responding believe "the Federal Government should pay the cost of nursing home care for our parents and grandparents." With the aging of our population and increasing life expectancy, financing long-term health care will be a major future crisis for American families.

On the issue of abortion, a majority of 18th District residents—56 percent—believe "abortion is a private family matter or a matter between a woman and her doctor, and the Government should not be involved." An even stronger majority—60 percent—believe the U.S. Constitution should not be amended to restrict abortions.

However, a substantial part of the public believe in greater restrictions on abortion—22 percent identify with the view that "abortion is murder and should be prohibited by law" and another 22 percent believe "abortion should be permitted only when necessary to save the life of the woman or in cases of rape or incest."

(5) FOREIGN POLICY

I asked local residents to indicate what Reagan administration foreign policy initiatives they supported and listed four: Military aid to Nicaraguan rebels, American business investment in South Africa, the star wars project in outer space, and the deployment of MX missiles.

None of these administration objectives received majority support in the 18th District. In fact, when asked to check on the four foreign policy positions they support, 45 percent checked "none of the above."

On specifics, 85 percent oppose more MX missiles, 74 percent oppose support for American business investment in South Africa, 65 percent oppose military aid to Nicaraguan rebels, and 63 percent oppose the star wars project.

(6) CONCLUSION

Congressional surveys like this one are not scientific. Not every citizen responds. Still, along with the regular town meetings I hold and the letters I receive, these questionnaires help me to be a better representative.

Although people in the Pittsburgh suburbs do not feel their own economic situation has improved much, there is clear recognition that the Reagan administration is right to focus attention on the budget deficit. Yet, most residents do not believe the President has struck the right balance.

First, area residents want more budget cuts than the President recommended, particularly when it comes to the military budget which has doubled in 4 years. And there is strong support for a freeze in all spending, instead of the administration's piecemeal attempt to completely eliminate some programs while letting others go untouched. Ironically, the public's only real exception to budget cutting is Social Security benefits, which the President committed himself to maintaining during last year's election, but on which he has now reversed his position.

Second, a substantial number of citizens—although not yet a majority—recognize that budget cuts alone are not enough to offset annual deficits of \$200 billion. Some 40 percent now say the deficit is so harmful to this country's future that we should increase tax revenue. And with many wealthy individuals and hundreds of American corporations paying absolutely no taxes at all, a tax bill requiring all Americans to pay their fair share could make an important contribution to reducing the deficit.

Mr. Speaker, I appreciate the guidance that my constituents give me by responding to my annual questionnaire, and I will do my best to see to it that the House of Representatives takes our views into consideration.

JUNK BOND AND GREENMAIL TAX ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. PICKLE] is recognized for 5 minutes.

Mr. PICKLE. Mr. Speaker, earlier today, I introduced the Junk Bond and

Greenmail Tax Act of 1985 to address two serious and rapidly growing problems.

No area of business activity has received more attention or public debate in the past year than the subject of mergers and acquisitions. For the most part, it has been a very heated debate with very little middle ground. Some believe that takeovers are good for the economy because they foster efficiency in management and allocation of capital. Others believe that takeovers are disruptive and promote short-term gains while sacrificing long-term planning and development.

After extensive hearings on the tax aspects of mergers and acquisitions by the Ways and Means Oversight Subcommittee, I am convinced that Congress cannot and should not try to resolve the issue of whether mergers and acquisitions are good or bad. Nor can we say that all hostile takeover attempts are good or bad.

However, in the course of examining this issue, I have reached the conclusion that there are several practices that are flourishing that I find very disturbing in the areas of junk bonds and greenmail.

The Junk Bond and Greenmail Tax Act is an attempt to limit certain practices that I believe are beyond the scope of prudent and normal business activity—practices that are disruptive, nonproductive, threaten economic stability, and to a large degree only occur because of the present structure of the tax laws.

This is not an antimerger bill. It does not differentiate between hostile and friendly mergers. It does not favor management over raiders or vice versa. It is an attempt to limit or discourage tactics that have been used by both management and raiders.

There are four major provisions in this bill.

First, it would prohibit a target company from claiming a tax decision for greenmail payments that are made to buy off a raider. There is almost universal agreement that greenmail is a loathsome practice. It is almost a form of extortion payment. According to reports I've received, some corporations seem to believe there is a question of whether a corporation can deduct its greenmail payments as an ordinary and necessary business expense. My bill would make it clear that the present Tax Code rules do not provide for such deductions.

Second, the bill would tax greenmail profits that are received by anyone as ordinary income instead of as capital gains. In the course of our investigation of mergers and acquisitions, we found that in some hostile takeover attempts, maneuvers were taken involving shell corporations to evade the 6-month holding period required for capital gains treatment. As a result of this abusive practice and in an effort

to discourage greenmail, the bill would deny the preferential capital gains treatment to all greenmail profits.

Third, in the area of junk bonds, the bill would deny the tax deduction for interest paid on junk bonds when the bond proceeds are used to purchase stock in a public corporation. Under the bill, junk bonds are defined as high-yield bonds that are below investment grade, unsecured or subordinated to trade creditors, or issued in amounts greatly in excess of the corporation's assets. The bill would not prohibit the use of all junk bonds because I believe there is a legitimate role for some junk bonds in our credit markets, particularly to provide venture capital and to provide financing for financially distressed corporations. My bill focuses on those junk bond issues, in excess of \$30 million, that are used to purchase stock in publicly traded corporations pursuant to a plan of acquisition.

I have two concerns in this area. One is that we are seeing a number of large corporations becoming too highly leveraged by using junk bonds that carry an interest rate as high as 16 or 17 percent. In the event of an economic slowdown, many of these companies will be unable to meet their debt requirements. In addition, I am concerned from a tax policy standpoint. Many companies are using junk bonds to take advantage of the Tax Code's preferential treatment of debt versus equity financing. Since interest payments are tax deductible and dividends are not, more corporations are using junk bonds to replace equity—stock—and thus greatly reduce their tax liability.

This provision would affect the activities of both raiders and corporate management because both are currently using junk bonds to purchase stock. This provision would not affect the more conventional day-to-day borrowings to finance stock purchases. It simply denies the tax deduction for junk bonds issued in excessive amounts for what I consider to be the abusive practice of using junk bonds to finance takeovers and leveraged buyouts. It would not prevent hostile takeover or leveraged buyouts but would probably force more businesses to use conventional credit sources for these activities.

Fourth, the bill would prohibit pension funds and federally insured institutions from investing their assets in junk bonds. Because of the Federal guarantees and insurance underlying these funds, I believe Congress has a responsibility to protect the public against the disastrous effects that could result from defaults on junk bonds. The pressures of increased competition among banks and savings and loans are forcing more institutions to purchase into these high risk investments. Currently there is already a

limitation on the amount of junk bonds that federally chartered institutions can hold. While some may say that junk bonds have not posed a serious investment risk thus far, I believe that is only because they have flourished during a period of economic expansion. In the event of a recession, junk bond failures are likely to occur at a very high rate and could lead to the closing of banks and thrift institutions that invest in them. In such an event, the taxpayers would be called in to pick up the pieces. We should act now to head off that potential economic disaster by preventing any federally insured institution from investing in these high risk bonds. In the area of pension funds, Congress has a responsibility to protect workers' pensions from investment practices that threaten the health of our Nation's pension system. While it is commendable that pension fund managers want to get the highest return possible on their investments, we cannot permit activities that place workers' pensions at risk.

In summary, I believe this bill is a modest and reasonable attempt to limit certain activities in the area of mergers and acquisitions. I welcome comments and discussion on my bill, recognizing that some fine tuning may be required, possibly with the effective dates.

Some will say this bill does not go far enough while others will say it is too restrictive. There are some who have called on Congress to put a halt to hostile takeovers. I do not think that such action is justified. Others have urged us to look the other way and allow business to engage in any tactics and maneuvers they devise. I do not think that would be responsible.

Mergers and acquisitions would continue under this bill but I believe it would be in a more orderly manner that would pose fewer risks to our economy and our taxpayers. This is not an attempt to settle the larger issue of whether mergers and acquisitions help or hurt our economy. With the limitations and tax disincentives in this bill, my hope is that takeovers would be structured in a more responsible manner while still allowing business the flexibility it needs.

I hope that my colleagues will join me in supporting this approach to a very difficult and troubling issue.

A brief summary of the legislation follows.

I submit the text of the bill for printing in the RECORD:

SUMMARY OF THE JUNK BOND AND GREENMAIL TAX ACT OF 1985

JUNK BONDS

1. Deny the deduction for interest payments on junk bonds used for the acquisition of another corporation or the repurchase of a corporation's stock. Deduction

for payments of commitment fees will also be disallowed and is applicable even if the bonds are not issued. A debt instrument is a junk bond if it meets any of these four tests and the total amount of the bond debt issued is in excess of \$30 million:

(a) The instrument is subordinated to trade creditors or a substantial amount of unsecured indebtedness of the corporation.

(b) The instrument has a non-investment grade rating and that rating is at least two grades below the rating of other substantial debt of the corporation.

(c) The yield to maturity is in excess of 135 percent of the applicable Federal rate.

(d) The total amount of the debt issue exceeds four times the net value of the assets of the corporation.

2. Prohibit any federally insured financial institution from acquiring junk bonds (defined as those insured by FDIC, FSLIC, or the National Credit Union Administration). Also, the fiduciary requirements of ERISA (Section 404) would not be met if junk bonds are acquired by the pension plan.

GREENMAIL

1. Greenmail profit will be treated as ordinary income. This is designed to deny capital gain treatment for greenmail profits. Greenmail profit is gain realized by any shareholder who: (1) holds the stock for less than two years; (2) made, announced or proposed a public tender offer during the two year period preceding the sale of his stock; and (3) receives consideration which is materially different in timing, type or value from that available to other shareholders. This provision will operate to recognize gain upon any disposition of stock by such shareholder including transfers to related persons or to shell corporations.

2. No deduction will be allowed for any payments of greenmail. (Defined as any payments by a corporation in redemption of its stock.) This is a re-statement of present IRS rules.

H.R. 2476

A bill to amend the Internal Revenue Code of 1954 relating to the tax treatment of acquisition junk bonds and greenmail, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE

This Act may be cited as the "Junk Bond and Greenmail Tax Act of 1985".

SEC. 2. ACQUISITION JUNK BONDS.

(a) TAX TREATMENT.—

(1) IN GENERAL.—Section 279 of the Internal Revenue Code of 1954 (relating to interest on indebtedness incurred by corporation to acquire stock or assets of another corporation) is amended to read as follows:

"SEC. 279. ACQUISITION JUNK BONDS.

"(a) DENIAL OF DEDUCTION FOR INTEREST.—No deduction shall be allowed under this chapter for interest paid or accrued with respect to any acquisition junk bond.

"(b) DENIAL OF DEDUCTION FOR COMMITMENT FEES, ETC.—

"(1) IN GENERAL.—No deduction shall be allowed under this chapter for any amount paid or incurred as an acquisition commitment fee in connection with a plan to issue, service, or continue any acquisition junk bond.

"(2) ACQUISITION COMMITMENT FEE.—For purposes of paragraph (1), the term 'acquisition commitment fee' means any commitment fee, standby fee, or similar fee for

holding funds available in connection with a plan referred to in paragraph (1).

"(c) ACQUISITION JUNK BOND DEFINED.—For purposes of this section—

"(1) IN GENERAL.—The term 'acquisition junk bond' means any obligation evidenced by a bond, debenture, note, or certificate or other evidence of indebtedness issued—

"(A) after May 14, 1985, and

"(B) pursuant to a plan of acquisition, if the requirements of paragraphs (2) and (3) are met.

"(2) BOND CHARACTERISTICS.—The requirements of this paragraph are met if the requirements of 1 of the following subparagraphs are met:

"(A) SUBORDINATION.—An obligation meets the requirements of this subparagraph if such obligation is—

"(i) subordinated to the claims of trade creditors of the issuer generally, or

"(ii) expressly subordinated in right of payment to the payment of any substantial amount of unsecured indebtedness (either outstanding or subsequently issued) of the issuer.

"(B) BOND RATING WHICH IS BELOW INVESTMENT GRADE AND SUBSTANTIALLY BELOW OTHER INDEBTEDNESS.—An obligation meets the requirements of this subparagraph if such obligation bears a rating from any nationally recognized rating agency which is—

"(i) below the rating for an investment grade obligation, and

"(ii) at least 2 ratings below the rating for any other substantial indebtedness of the issuer.

"(C) HIGH YIELD.—An obligation meets the requirements of this subparagraph if such obligation has a yield to maturity of more than 135 percent of the applicable Federal rate under section 1274(d) with respect to such obligation.

"(D) BONDS EXCEED MORE THAN 4 TIMES NET ASSETS OF ISSUER.—The requirements of this subparagraph are met if the aggregate issue price of all obligations issued or to be issued (whether or not by the same person) under the plan of acquisition exceeds an amount equal to 4 times the value of the net assets of the issuer (determined immediately before such issuance).

"(3) AT LEAST \$30,000,000 OF OBLIGATIONS INVOLVED.—The requirements of this paragraph are met if the aggregate issue price of all obligations issued or to be issued (whether or not by the same person) under the plan of acquisition is \$30,000,000 or more.

"(4) SPECIAL RULES FOR PARAGRAPH (2).—

"(A) RELATED PERSONS TAKEN INTO ACCOUNT IN DETERMINING SUBORDINATION OF CLAIMS, ETC.—For purposes of paragraph (2)(A), trade creditors and the unsecured indebtedness of all persons related to the issuer shall be treated as trade creditors and unsecured indebtedness of the issuer. For purposes of the preceding sentence, a person is related to another person if the relationship between such persons would result in the disallowance of losses under section 267 or 707(b).

"(B) DETERMINATION OF RATING.—The determination of the rating of any obligation shall be made for purposes of paragraph (2)(B) as of the date of the binding contract to make funds available with respect to the plan of acquisition.

"(C) RULES RELATING TO YIELD TO MATURITY.—For purposes of paragraph (2)(C)—

"(i) AGGREGATION OF OBLIGATIONS IN DETERMINING YIELD TO MATURITY.—All obligations issued under the plan of acquisition (whether or not by the same person) shall be treated as 1 obligation if, as a result of such

treatment, such obligations are treated as acquisition junk bonds.

"(ii) COMPOUNDING.—Yield to maturity shall be determined on the basis of compounding semiannually.

"(d) PLAN OF ACQUISITION.—For purposes of this section—

"(1) IN GENERAL.—The term plan of acquisition means any plan by any person (or group of persons acting in concert)—

"(A) to acquire (by purchase, redemption, or otherwise) stock in a corporation (including the corporation issuing the obligation), or

"(B) to acquire at least 50 percent of the assets (by value) of a corporation.

"(2) ALL PLANS TREATED AS 1 PLAN.—All plans of acquisition by any person (or group of persons acting in concert) with respect to a corporation shall be treated as 1 plan.

"(e) SPECIAL RULES.—

"(1) DETERMINATION OF DEDUCTION FOR COMMITMENT FEE, ETC., WHERE BONDS NOT ISSUED.—For purposes of determining whether an amount is allowable as a deduction under subsection (b) in the case of an obligation the potential issuance of which is announced but which is not issued—

"(A) the requirements of paragraph (2) of subsection (c) shall be treated as met if, under the terms and conditions governing the issuance of such obligation, such obligation could have met the requirements of any of the subparagraphs of such paragraph (2) when issued, and

"(B) the requirements of paragraph (3) of subsection (c) shall be treated as met if such requirements would have been met if all obligations which could potentially be issued were issued.

"(2) EXTENSIONS, ETC., OF ACQUISITION JUNK BONDS.—For purposes of this section, any extension, renewal, or refinancing of an acquisition junk bond shall be treated as an acquisition junk bond."

"(2) CLERICAL AMENDMENT.—The table of sections for part IX of subchapter B of chapter 1 of such Code is amended by striking out the item relating to section 279 and inserting in lieu thereof the following:

"Sec. 279. Acquisition junk bonds."

"(3) EFFECTIVE DATES.—The amendments made by this subsection shall apply to indebtedness issued after May 14, 1985, in taxable years ending after such date.

"(b) FEDERALLY INSURED FINANCIAL INSTITUTIONS PROHIBITED FROM ACQUIRING JUNK BONDS.—

"(1) IN GENERAL.—No federally insured financial institution may acquire after May 14, 1985, any junk bond or any interest therein.

"(2) JUNK BOND.—For purposes of this subsection, the term "junk bond" has the meaning given the term "acquisition junk bond" by section 279(c) of the Internal Revenue Code of 1954 except that subparagraph (B) of paragraph (1) thereof, and paragraph (3) thereof, shall not apply.

"(3) FEDERALLY INSURED FINANCIAL INSTITUTION.—For purposes of paragraph (1), the term "federally insured financial institution" means any financial institution the accounts or deposits in which are insured by—

"(A) the Federal Deposit Insurance Corporation,

"(B) the Federal Savings and Loan Insurance Corporation, or

"(C) the National Credit Union Administration.

"(c) EMPLOYER RETIREMENT PLANS MAY NOT ACQUIRE JUNK BONDS.—A fiduciary of a plan to which section 404 of the Employee Re-

irement Income Security Act of 1974 applies shall be treated as not meeting the requirements of such section with respect to such plan if such plan acquires after May 14, 1985, any junk bond (as defined in subsection (b)(2) of this section) or any interest therein. For purposes of the preceding sentence, such section 404 shall be treated as applying to plans described in section 4(b) of such Act.

SEC. 3. GREENMAIL PROFIT TAXED AS ORDINARY INCOME.

(a) IN GENERAL.—Part IV of subchapter P of chapter 1 of the Internal Revenue Code of 1954 (relating to special rules for determining capital gains and losses) is amended by adding at the end thereof the following new section:

"SEC. 1257. GREENMAIL PROFIT TREATED AS ORDINARY INCOME.

"(a) ORDINARY INCOME TREATMENT.—Greenmail profit shall be treated as ordinary income.

"(b) GREENMAIL PROFIT.—For purposes of this section, the term 'greenmail profit' means any gain realized on the sale or exchange of any stock by any shareholder if—

"(1) such shareholder's holding period for such stock (as determined under section 1223) is less than 2 years,

"(2) at some time during the 2-year period ending on the date of the sale or exchange of the stock—

"(A) such shareholder,

"(B) any person acting in concert with such shareholder, or

"(C) any person who is related to such shareholder or person described in subparagraph (B),

announced that he is considering a public tender offer for stock in such corporation (or made a proposal to such corporation suggesting or setting forth a plan involving such a public tender offer), and

"(3) the consideration received (or to be received) by such shareholder is materially different as to timing, type, value, or otherwise from consideration generally available to any other shareholder with respect to stock in the same class as the stock sold or exchanged.

"(c) OTHER DEFINITIONS.—For purposes of this section—

"(1) PUBLIC TENDER OFFER.—The term 'public tender offer' means any offer to purchase (or otherwise acquire) stock or assets in a corporation if such offer was required to be filed or registered with any Federal or State agency regulating securities.

"(2) RELATED PERSON.—A person is related to another person if the relationship between such persons would result in the disallowance of losses under section 267 or 707(b).

"(d) SPECIAL RULES.—For purposes of this section—

"(1) SECTION TO APPLY WHERE STOCK HAVING GREENMAIL PROFIT HELD BY SHELL CORPORATION, ETC.—Except to the extent provided in regulations, this section shall apply to any sale or exchange of an interest in any entity a substantial portion of the assets of which consists of property with respect to which there is unrealized greenmail profit.

"(2) GREENMAIL PROFIT RECOGNIZED NOTWITHSTANDING NONRECOGNITION TREATMENT.—Greenmail profit shall be recognized on any sale or exchange notwithstanding any other provision of this subtitle.

"(3) AMOUNT TREATED AS ORDINARY INCOME.—For purposes of sections 163(d), 170(e), 341(e)(12), 453(i), 453B(d)(2), and 751(c), amounts treated as ordinary income under this section shall be treated in the

same manner as amounts treated as ordinary income under section 1245."

(b) CLERICAL AMENDMENT.—The table of sections for part IV of subchapter P of chapter 1 of such Code is amended by adding at the end thereof the following new item:

"Sec. 1257. Greenmail profit treated as ordinary income."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to stock acquired after May 14, 1985, in taxable years ending after such date.

SEC. 4. CLARIFICATION OF DISALLOWANCE OF DEDUCTIONS FOR REDEMPTION EXPENSES.

(a) IN GENERAL.—Part IX of subchapter B of chapter 1 of the Internal Revenue Code of 1954 (relating to items nondeductible) is amended by adding at the end thereof the following new section:

"SEC. 280H. STOCK REDEMPTION EXPENSES.

"Except as provided in section 83(h), no deduction shall be allowed under this chapter for any amount paid or incurred by a corporation in redemption of its stock."

(b) CLERICAL AMENDMENT.—The table of sections for such part IX is amended by adding at the end thereof the following new item:

"Sec. 280H. Stock redemption expenses."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts paid or incurred after May 14, 1985, in taxable years ending after such date.

AN ACT OF IRRESPONSIBILITY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. WEISS] is recognized for 5 minutes.

Mr. WEISS. Mr. Speaker, on Thursday of last week, at the instigation of radical Republican extremists, the House, in an abdication of responsibility, adopted a sense of the Congress resolution, as an amendment to the State Department Authorization Act, that unless the Soviet Union apologizes to the Government of the United States by June 1 of this year for the killing of Major Nicholson that we declare the senior Soviet Union diplomatic representative to the United States to be persona non grata.

In the course of the discussion, I pointed out that, not having checked at all with the State Department or the President or anyone at the White House before offering this resolution, was truly an act of irresponsibility.

□ 1750

On Saturday of this past week, May 11, 1985, the New York Post carried a brief story datelined Washington, headlined, "Don't boot Soviet envoy." The story, in its entirety, reads as follows:

WASHINGTON.—The Reagan administration yesterday criticized a congressional attempt to punish Soviet Ambassador Anatoly Dobrynin in retaliation for the killing of an American officer in East Germany.

State Dept. spokesman Edward Djerejian labeled a House resolution urging President

Reagan to declare Dobrynin persona non grata as "unwise and inappropriate."

"Conduct of diplomacy is the unique responsibility of the President," he said. "Attempting to codify a nuanced and complex policy is not an appropriate function of the legislative branch of government."

Such actions would not help resolve U.S. Soviet differences, said Djerejian.

That is the end of the story. There had been radio and television news reports of this statement by the State Department spokesman on behalf of the Reagan administration, as well, I am sure, as other stories in newspapers across the country. But because they appeared on the weekend some Members may have missed them.

I am entering the statement by the State Department spokesman on behalf of the Reagan administration into the RECORD, because I have been advised that in spite of that statement in an act of irresponsibility, compounding irresponsibility, the Republican Congressional Campaign Committee has been sending press releases into the districts of Democratic Members who voted in opposition to the resolution, criticizing the Members for having voted the responsible way in support of the Reagan administration position.

I believe that that kind of action, that is, of cynically seeking to take political advantage in spite of the fact that those Members on either side of the aisle who voted against that amendment, in fact did so not only in fulfillment of constitutional balances of power and separation of powers, but also in consonance with the position of the Reagan administration itself, is just so irresponsible and so politically cynical that I want to be sure that Members have the text and substance of this news story and the statement by the Reagan administration, so that in they can respond to inquiries that may come to them from local media or press.

I would hope that the response of the State Department, branding the action of the House in regard to this matter, not to be acceptable behavior because it is matter uniquely within the powers and responsibilities of the administration.

I would caution Members on both sides of the aisle not to fall prey to the instigation and the worst instincts of the small handful of the most irresponsible, radical extremists on the Republican side in this body.

I am convinced that responsible conduct in discharging our responsibilities is not only in the national security interests of the United States but will be so perceived by our constituents.

ISRAEL INDEPENDENCE DAY

The SPEAKER pro tempore. Under a previous order of the House, the gen-

tleman from Illinois [Mr. ANNUNZIO] is recognized for 5 minutes.

● Mr. ANNUNZIO. Mr. Speaker, at midnight, May 14-15, 1948, the fifth and sixth days of Iyar 5708 under the Jewish calendar, the British mandate for Palestine came to an end, and the independent State of Israel was born. I take great pleasure in saluting the people of Israel on the 37th anniversary commemoration of this historic event, when their country was proudly able to join the community of free nations in the world.

The creation of the State of Israel represented the outcome of centuries of struggle by the Jewish people to obtain political and religious freedom. Founded in difficult circumstances by a people who had suffered some of the most severe forms of persecution in the history of mankind, Israel's Government is based on the noble ideals of freedom, and Israel's people have worked hard and fought valiantly to make their nation strong and prosperous. Today, Israel is the only democracy in the Middle East.

The Jewish people who for centuries had experienced the bitterness and despair of an existence without even the most basic human rights, were finally able to declare proudly in their May 14, 1948, Declaration of the Establishment of the State of Israel that their new country:

It will be based on freedom, justice and peace as envisaged by the prophets of Israel; it will ensure complete equality of social and political rights to all its inhabitants irrespective of religion, race or sex; it will guarantee freedom of religion, conscience, language, education and culture; it will safeguard the holy places of all religions; and it will be faithful to the principles of the charter of the United Nations.

Over the last 37 years, Israel's citizens have developed their nation with vigor and enthusiasm, and have accomplished in a few short years what most nations fail ever to achieve. This has all been done while under the constant threat of some hostile neighbors, who repeatedly have tried to destroy this tiny nation. Nevertheless, the commitment of the State of Israel to peace in the Middle East has never wavered, and the people of Israel have been willing to make great sacrifices to achieve this objective.

Mr. Speaker, it is with pride that I join the people of Israel in celebrating Israel Independence Day, and I extend to them my best wishes for peace and prosperity, and I send my greetings to Americans of Jewish descent in the 11th Congressional District of Illinois which I am honored to represent, and all over the world, as they join in celebrating this milestone in mankind's struggle for lasting peace and liberty. ●

THE WEST SIDE HIGHWAY PROJECT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey [Mr. HOWARD] is recognized for 5 minutes.

● Mr. HOWARD. Mr. Speaker, today I am introducing legislation that I hope will put an end to a growing controversy in the New Jersey-New York region and produce a transportation solution that is in the best interests of all of the residents of the area. While my legislation may appear controversial at first, it is my feeling that if it is studied thoroughly it can be accepted as a measure that will resolve the dispute.

My legislation deals with I-478, the West Side Highway project in New York, which is commonly known as Westway. The project has developed into an extremely emotional issue with strong feelings on both sides of the issue. I hope that my proposal will overcome some of those emotional objections and allow some progress in developing the transportation system of the west side of Manhattan.

This segment of the Interstate Highway System is designed to replace the antiquated West Side Highway, an elevated structure along the Hudson River that has collapsed in parts and cannot serve the traffic needs of New York City. The new segment will run from the Brooklyn Battery Tunnel in the south to 42d Street in the north where it will connect with the remaining portion of the West Side Highway.

Unfortunately, Westway has grown from more than just a replacement for the West Side Highway. It has been transformed into a project to stimulate economic growth in Manhattan by expanding the island. The design now calls for filling 234 acres of the Hudson River and constructing a highway in a tunnel in the fill. On top, will be industrial, commercial, and recreational development. The use of the highway trust fund to pay for that type of massive landfill is unprecedented in the history of the highway program.

I-478 should remain as a highway project. Its costs and benefits should be calculated on the basis of transportation benefits, not some auxiliary issues like commercial or industrial development. We do not collect the 9-cent-a-gallon gas tax for development—we collect it for transportation.

This issue has arisen at a time when the highway trust fund is under severe financial constraints. At the current rate of revenue and spending, it is possible we may trigger the so-called Byrd amendment in fiscal year 1989 unless action is taken to cut spending.

Based on that background, I believe it is important to look at alternatives that might provide the same transportation benefits without using Federal highway funds for commercial and

economic development. Even though the Federal Government might invest billions for highway construction on the West Side of Manhattan, there would be no additional money for transit, a much needed service in New York. Under my legislation, New York will receive the highway construction funds as well as being given the possibility of additional mass transit funds. There will be more transportation benefits for the same transportation dollars. Those same dollars will create as many, if not more, jobs.

Before proceeding, let me emphasize the generally acknowledged need for a highway on the West Side of Manhattan. There is no question that a connector of interstate standards is necessary to keep traffic flowing freely in the densely populated area. There are groups that do not want any highway built in that area but I consider that approach to be a disaster for the transportation needs of New York and the entire region.

I am not, however, prescribing an alternative that local officials must adopt. The Federal Government cannot do that and I would not want this Congress to become involved in that type of legislation for the first time in history.

Instead, what I am proposing to do is to prohibit the use of highway trust fund money for construction of a controversial project that has raised serious environmental questions and could adversely affect a neighboring state.

Westway is such a massive project and its nature is so unprecedented that it is almost impossible to calculate its effects. But there is scientific opinion that a landfill of that size will change the course of the Hudson River and produce harmful effects on the New Jersey side. It could also send the striped bass, whose spawning grounds on the New York side delayed action on a section 404 permit for 2 years, over to the New Jersey side. New Jersey would then be forced to consider the impacts on the striped bass for any development along the Hudson River.

My bill would prohibit the construction of the highway embedded in the massive landfill. That project, if it is ever constructed, could require additional billions of dollars above the estimated cost because of inflation and other factors. In fact, it has been under study for 12 years and may never be built.

There are strong objections to the environmental effects of Westway, a project that would fill in 234 acres of the Hudson River. The Army Corps of Engineers studied the effect on the striped bass in the river for 2 years. A Clean Water Act dredge-and-fill permit was issued, not because there was no adverse environmental effect but because the development benefits

outweighed the environmental effects. There have also been questions raised about the stirring up of the highly toxic bottom sediment in the Hudson River for the landfill. Prohibition of the landfill would erase all of those environmental questions.

Finally, there is the real estate development planned for the landfill. It should be emphasized that the highway trust fund is not for real estate development. If New York State or real estate developers in New York want to expand Manhattan to have more land to build on, let them pay for it.

My bill would prohibit construction of a highway through landfill. It would allow a highway "generally on existing land" and would allow landfill "necessary to preserve the existing character and facilities of the waterfront."

Under my legislation, New York could receive additional mass transit funds. The difference between what Westway would have cost to construct, using conservative estimates, and the cost of the alternative highway, would be available to New York beginning in 1992.

New York, therefore, would be receiving special treatment. Not only could an interstate highway be built but the State could also be eligible for additional mass transit funds. That sort of treatment is unprecedented.

For that cost determination, the Secretary of Transportation would take the most recent cost estimate—1985—for Westway and, assuming annual obligations in equal amounts, set the cost in 1992 using actual changes in the cost of construction. By doing that in 1992, there would be a basis for a fair determination of the entitlement.

Westway proponents point to the 12-year time that has already taken place to claim that development of an alternative will take an additional decade. I intend to prevent that. The bill authorizes expedited approvals for administrative actions for the development of the alternative. In addition, much of the research work on alternatives has been completed as part of the study process for Westway. That research can be used for the new alternative.

The longest delay was in obtaining the section 404 permit to fill in 234 acres of the Hudson River. It is reasonable to expect that a permit to fill in a minimal part of that acreage would be approved much more quickly.

The inboard alternative, as studied in the Westway approval process, is a partly depressed, partly covered and partly aboveground highway that would require only 20 acres of fill for construction and interchanges. It would also allow access to the waterfront for almost its entire length. While this bill does not require con-

struction of the inboard alternative, it certainly appears to be an option worthy of further consideration.

There have been questions raised about the inboard alternative's ability to obtain a clean air permit from New York State. I hope that New York officials would also expedite that process.

The inboard alternative appears to be extremely attractive, especially when compared to the effects of other Westway legislation that has been introduced. That bill would prohibit Westway as planned but would also provide no alternative in an area that unquestionably needs highway capacity. That bill is, very simply, a "drop dead New York" bill.

It also should be noted that my bill originates in the Committee on Public Works and Transportation where we deal with these programs on a daily basis and understand them.

The bill, while prohibiting the massive landfill and the road though it, would not affect New York's ability to exercise the interstate transfer option before September 30. However, New York would not be able to use the \$1.7 billion that could be obtained through interstate transfer for the landfill.

I urge my colleagues to give careful consideration to this legislation which I intend to offer in the Subcommittee on Surface Transportation next month as an amendment to the overall Surface Transportation Act.

This legislation should not be viewed as part of the well-publicized feud between New York and New Jersey. Instead, I hope this bill will resolve the conflict created over the highway.

The bill provides New Jersey with what it wants—the elimination of the massive Westway landfill. But it also leaves New York free to construct an alternative interstate highway, with the prospect of additional mass transit money. Construction of the alternative highway and the mass transit facilities should more than make up for the jobs by not building Westway. Therefore, I urge my colleagues, particularly those from New York, to study this bill carefully before taking a position on it.

There may be differences between New York and New Jersey on some issues but they should not affect the programs that are vital to our common interests. I hope we can all continue to work together in support of programs that are vital to our region, such as mass transit and highway funding, sewage treatment plants, port development and economic development assistance. As chairman of the Committee on Public Works and Transportation, I intend to keep working for these programs.

Finally, I want to note that I am being joined in introducing this bill by the gentlemen from New Jersey [Mr. ROE, Mr. FLORIO, Mr. GALLO, and Mr.

COURTER] and the gentleman from New York [Mr. MOLINARI]. I appreciate their support on this issue.

A section-by-section analysis of the bill follows:

SECTION-BY-SECTION ANALYSIS

SECTION 1—PROHIBITION ON CONSTRUCTION OF CERTAIN INTERSTATE ROUTES IN LANDFILL

This section would prohibit the use of Federal funds for any project for the initial construction of an Interstate route of approximately 4 miles adjacent and parallel to an existing shoreline and located mainly in landfill placed in a river after May 1, 1985, to accommodate the project.

SECTION 2—LIMITATION ON LOCATION OF ALTERNATIVE PROJECTS

Subsection (a)(1) would authorize the use of Federal funds for the initial construction of an Interstate route which is an alternative for any project described in section 1 only if the alternative project is built on an alignment generally on existing land and does not include the construction of any landfill in a river, other than landfill necessary to preserve the existing character and facilities of the waterfront.

To permit the use of Interstate construction funds for an alternative project, paragraph (2) would set aside the application of an existing provision of law limiting the obligation of Interstate construction funds to the actual costs of only the design concepts, locations, geometrics, and other construction features included in the 1981 interstate cost estimate approved by Congress.

Subsection (b) would prohibit the use of Federal funds for a highway or transit transfer project (authorized by section 103(e)(4) of title 23, United States Code) which is substituted for an Interstate route described in this section or section 1 if the transfer project includes construction of any landfill in a river, other than any landfill necessary to preserve the existing character and facilities of the waterfront.

Subsection (c) would require Federal officials to expedite a State request for action or approval which may be authorized or required for the construction of the alternative Interstate project authorized by subsection (a)(1).

SECTION 3—AVAILABILITY OF CERTAIN EXCESS FUNDS FOR TRANSIT PROJECTS

Subsection (a) prescribes the method of determining the amount of excess funds available for mass transit capital projects if an alternative Interstate project authorized by section 2(a)(1) is constructed. The amount available, to be determined by the Secretary of Transportation as soon as possible after September 30, 1992, or the last date on which Federal funds are obligated for construction of an alternative Interstate project, whichever is later, would be the excess, if any, of (1) the Federal share of the cost of completing the project described in section 1, as included in the 1985 interstate cost estimate, adjusted to reflect actual changes in construction costs through September 30, 1992, and assuming equal annual obligations of funds in each fiscal year through September 30, 1992; over (2) the cost incurred by the United States in constructing the alternative project.

Subsection (b) provides that the amount determined under subsection (a) would be available as provided in appropriations Acts, to incur obligations for the Federal share of public mass transit capital projects which would serve the area in which the Interstate

route is located, which are selected by responsible local officials and submitted by the Governor of the State in which the Interstate route is located. The Federal share of the public mass transit capital projects would be 85 percent of the cost thereof, and any sums appropriated to carry out the projects would remain available until expended.

Subsection (c) provides that the terms used in subsection (b) would have the same meanings the terms have as used in section 103(e)(4) of title 23, United States Code.

Subsection (d) authorizes for fiscal years beginning after September 30, 1992, such sums as may be necessary to carry out this section. ●

A CONSENSUS HAS DEVELOPED THAT THE TIME IS RIPE FOR NUCLEAR LICENSING REFORM

THE SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina [Mr. BROYHILL] is recognized for 5 minutes. ● Mr. BROYHILL. Mr. Speaker, today I am pleased to introduce by request the nuclear licensing reform legislation submitted by the Department of Energy entitled the Nuclear Facility Standardization Act of 1985. This legislation illustrates the administration's firm commitment to preserving the nuclear option. The administration is not alone in recognizing the need for nuclear licensing reform. In March, my esteemed colleague from Arizona, [Mr. UDALL], introduced by request, H.R. 1447, licensing reform legislation developed by the Nuclear Regulatory Commission. Earlier this year, I was delighted to join with a bipartisan group of colleagues in introducing H.R. 1029, the Nuclear Powerplant Standardization Act. H.R. 1029 has now attracted more than 35 cosponsors. Over in the Senate, Senator SIMPSON, chairman of the Subcommittee on Nuclear Regulation, has long supported nuclear licensing reform and has assured me that such reform will be a top priority for his subcommittee this Congress.

Mr. Speaker, all of these initiatives are designed to achieve the same goal—the enactment of the legislation necessary to encourage regulatory stability and the development and use of standardized nuclear powerplant designs. There is almost unanimous agreement that the public will benefit from reforms which encourage standardization, a more effective application of industry and NRC resources, more meaningful public participation, and a reduction in unnecessary costs.

The similarities between the various legislative proposals are striking, and document that a consensus has now developed as to the direction reform should take. I look forward to working with the administration on this crucial issue and welcome the Department of Energy's support. Attached to this statement is Secretary Herrington's transmittal letter and the section-by-

section summary that accompanied the administration's bill. I urge my colleagues to review this material, and to join with us to fashion a solution to the problems plaguing the regulation and licensing of nuclear power.

THE SECRETARY OF ENERGY,
Washington, DC, May 7, 1985.

Hon. THOMAS P. O'NEILL, Jr.,
Speaker of the House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: Enclosed is proposed legislation entitled the "Nuclear Facility Standardization Act of 1985," a bill intended to improve the licensing of nuclear facilities. The Office of Management and Budget advises that enactment of this proposal would be in accord with the program of the President.

Reform of the system by which the United States licenses its nuclear powerplants is critical if the nuclear power option is to be part of our Nation's energy future. Nuclear power is already a key element of the Nation's energy base; it supplies about 15% of the Nation's electricity and is the second largest source of electricity in America. The continued expansion of the United States economy depends upon reliable and affordable energy, which can be achieved only by encouraging a well-balanced mix of all domestic energy sources. As the demand for electricity grows over the next few decades, so too will the opportunity for more nuclear power, inasmuch as uranium and coal seem likely to be by far the most economic energy sources that can be used in large electrical generators.

As past experience demonstrates, we have the technology to build and operate safe, economical, and environmentally-sound nuclear powerplants. Foreign nations have benefited by using American technology to build nuclear plants overseas; since 1978, the last time an American utility placed an order for a nuclear powerplant, more than 100 nuclear powerplants have been ordered by such countries as France, Japan, and Germany. Nuclear power in the U.S., however, faces a number of obstacles in helping to meet the energy needs of future generations. One major problem confronting the nuclear industry is a complex regulatory process that delays construction and increases costs. Without a comprehensive reform of U.S. nuclear licensing practices, America will continue to fall behind the rest of the world in nuclear power generation. This could cause a severe energy shortage if the demand for electricity increases with recent population growth and economic expansion.

I am today submitting legislation to increase stability and predictability in the process of constructing and operating nuclear power facilities, while continuing to provide health and safety assurances. This proposed legislation would permit the approval of standardized plant designs; it would allow licensing authorities to grant a combined construction and operating license after appropriate hearings; it would provide for the early approval of plant sites; and it would provide a centralized documented review process for changes required by the Nuclear Regulatory Commission. A section-by-section analysis is enclosed which provides greater detail on what the proposal would do. Enactment of this proposed legislation would allow utilities once again to consider the option of nuclear power on its economic and environmental merits.

Representative James T. Broyhill, along with more than 30 co-sponsors from both sides of the aisle, has already introduced im-

portant legislation that creates the framework for achieving these objectives. Mr. Broyhill's bill, H.R. 1029, provides for badly-needed improvements in the current nuclear regulatory process. I applaud his leadership. The Nuclear Regulatory Commission has also submitted proposed legislation, introduced as H.R. 1447, which contains necessary nuclear licensing reforms. I commend each of these efforts to the Congress for their consideration. From among our proposal and these approaches, I urge the Congress to find the legislative solutions to the nuclear licensing and regulatory problems facing us today.

By working together in a bi-partisan fashion, the Congress and the Administration can assure that safe and reliable nuclear energy continues to help assure the Nation's economic growth and energy security at reasonable cost to American consumers.

Yours truly,

JOHN S. HERRINGTON.

NUCLEAR FACILITY STANDARDIZATION ACT OF 1985—SECTION-BY-SECTION ANALYSIS

SECTION 1

This section sets forth the title of the bill.

SECTION 2. FINDINGS AND PURPOSES

This section would provide congressional findings and set forth the purposes of the Act.

SECTION 101. APPROVAL OF STANDARDIZED DESIGNS

This section would require the NRC to establish procedures under which it could approve facility or major facility subsystem designs for commercial production or utilization facilities. This approval would be independent of an application for a construction permit or a construction and operating license. A pre-approved design could then be incorporated into an application for a construction permit or a construction and operating license. Inasmuch as nuclear powerplant technology has matured and operational experience increased, the industry may wish to use this authority to obtain pre-approval of major subsystems and ultimately pre-approval of full facility designs.

A pre-approved design could be changed only in a design amendment proceeding. The NRC could incorporate this design amendment proceeding in other licensing proceedings. Review of an issue that had been considered and decided in a previously completed design proceeding would be strictly limited. Reexamination of such an issue in a hearing in a design amendment proceeding would be restricted to those instances when a material issue was in dispute that could only be resolved in a hearing. In addition, the issue could not have been considered and decided in an earlier design proceeding or a showing has been made that there is a nonconformance with the design approval that could materially and adversely affect the safe operation of the facility using the design. Reexamination of these issues by the NRC staff in its application review would be limited by the restrictions on modifications under section 104 of this Act.

The NRC would define the level of detail required in an application for a design approval. A design approval would be valid and effective for ten years from the date of issuance and could be renewed for additional ten-year periods. The costs for obtaining the approval could be allocated by the NRC among those proposing to use the pre-approved design. If the design were not includ-

ed in an application for a construction permit or a construction and operating license during its first ten-year term, the holder of the design approval would have to pay any applicable processing fees.

This section also would permit the holder of a permit, license, or approval to deviate from any aspect of the permit, license, or approval without NRC permission unless the deviation involved a change in technical specifications or an unreviewed safety question.

SECTION 102. EARLY SITE APPROVAL

This section would require the NRC to establish procedures under which it could approve a site or limited aspects of a site for a commercial production or utilization facility prior to filing an application to construct or operate a facility on the site. A site permit would be valid and effective for ten years and renewable for additional ten-year periods. A site permit could be modified as set forth in section 104 of this Act.

A pre-approved site could be incorporated into an application for a construction permit or a construction and operating license. Review of issues that had been considered and decided in the site permit proceeding would then be strictly limited. Reexamination of such issues in a hearing would be restricted in the same manner as set forth in section 101 of this Act. Reexamination of these issues by the NRC staff in its application review would be limited by the restrictions on modifications under section 104 of this Act.

SECTION 103. CONSTRUCTION PERMITS, OPERATING LICENSES, AND CONSTRUCTION AND OPERATING LICENSES

This section would continue to authorize the NRC to grant, individually, a construction permit and a subsequent operating license for a production or utilization facility. This section would provide the NRC new authority to grant, as a combination license, a construction and operating license (COL) for a commercial production or utilization facility. An application for a COL would be required to contain a level of detail sufficient to allow the NRC to make the determinations, concerning public health and safety and the common defense and security, required by the Atomic Energy Act and NRC rules and regulations. This section would not mandate the specific level of detail required in an application. That would be left to the NRC.

The NRC would be required to incorporate in the COL, however, a procedure for construction quality assurance that would provide for the approval of discrete phases of construction as the construction is completed. The NRC also would be required to set forth in the COL the inspections, tests, analyses, and acceptance criteria therefor that it will use in determining whether there is reasonable assurance that the plant has been constructed and will operate in accordance with its license. The COL also may provide for NRC consideration of inspections conducted by the licensee's quality assurance inspectors, NRC's inspectors, and other designated engineering and inspection representatives.

An expedited procedure for commencement of operation would be provided for facilities which have a COL. A holder of a COL would notify the NRC of its readiness to begin operations. Upon receipt, the NRC would publish a notice of intended operation in the Federal Register. A thirty day public comment period would then be provided. Anyone objecting to operation of the

facility could request a hearing. If a hearing were requested, the review of issues that had been already considered and decided would be strictly limited. Reexamination of such issues in hearings would be restricted in the same manner as set forth in section 101 of this Act. The NRC would be required to determine if the hearing must be completed before facility operations may begin.

SECTION 104. MODIFICATIONS

This section would prohibit the NRC from requiring or requesting a licensee to make a change to a licensed facility unless the NRC determines, taking into consideration the remaining life of the facility, that the change would substantially improve the overall safety of facility operations. The determination of substantial improvement is to be based on a consideration of seven specific factors and such other factors as the NRC determines to be necessary.

The NRC would be required to establish a procedure for the centralized, systematic, and documented review and consideration of a proposed change to a facility. To avoid any ambiguity as to how the NRC may make a proposed change effective, the section would provide that a change may be required only by an amendment to the facility's license or by issuing a rule, regulation, order, or amendment thereof. In the event that conditions or practices necessitated immediate action to protect the public health and safety or the common defense and security, the NRC could impose a change without going through this review procedure.

TITLE II—CONFORMING AMENDMENTS

Sections 201-205 would amend several provisions and the table of contents of the Atomic Energy Act of 1954 to conform with the provisions of this Act.●

THE 92 GROUP BUDGET PROPOSAL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. BOEHLERT] is recognized for 60 minutes.

Mr. BOEHLERT. Mr. Speaker, As the deadline approaches for Congress to adopt a budget resolution, Members of this body are again wondering: How can we do it? It's easy to adopt a budget resolution, but we don't want and we can't afford just another budget resolution. We must come up with one that faces the reality of the deficit crisis and deals with it forthrightly. The President is correct—at a minimum we must approve a \$50 billion deficit reduction. But in doing so we must use both our heads and our hearts.

The American people understand that drastic action must be taken. But they demand that the solution to the deficit crisis be fair. If there's a smile on my face, it's because I hold in my hand the proof that it is possible to come up with a budget that combines fiscal responsibility with social responsibility. I'm convinced that this document embodies an approach that will engage the hearts and the minds of the American people in a serious effort to defeat the deficit.

It is called "a Blueprint for Balance," and it was crafted by our House

92 Group Budget Task Force—a group, I might add, which represents a diverse array of districts from all across the country. In many hours of debate and discussion over the past 4 months, we sought to create a budget proposal which could be accepted by all Americans as being fair and balanced.

We believe that the "Blueprint for Balance" offers advantages over the other budget proposals that have been discussed, and my colleagues and I are here to tell you about those advantages.

First, we began with a comprehensive fiscal year 1986 budget authority freeze, including defense, as the only fair first step. Americans have been asked to sacrifice again and again in the past few years, but the sacrifice has not been spread evenly. Meanwhile, the deficit has grown even larger. We in the 92 group believe that at the very least, we should stop the growth of Government spending across the board, and then look for further budget savings which would increase Government efficiency while remaining responsive to national needs.

A comprehensive freeze at fiscal year 1985 levels results in a \$32 billion cut in the projected budget deficit. We went even further. Let me say it again—we emphatically believe the deficit must come down through a sustained commitment to responsible government spending. But we are not willing—and we understand the American people are not willing—to make drastic cuts in programs which are productive, vital investments in our people and their future.

That is why, unlike the budget proposal approved by the other body, we do not cut into the amount of financial aid available to students. Likewise we trimmed, but did not eliminate, programs such as the economic development administration, Urban Development Action grants, or the Job Corps. These programs are investments, with productive results for all Americans. These programs link limited public resources with the power of private initiative, and easily produce more in tax revenues than they cost. It would be penny-wise but pound-foolish to make these kinds of programs bear the brunt of our deficit reduction efforts.

And by the way, allow me to nip in the bud any notion that this budget proposal selfishly protects the interests of particular regions of the country. Yes, it salvages some programs that keep distressed regions afloat—but at reduced levels that will require adjustments from constituents in our own districts. Furthermore, let's get this straight—just as a cancerous limb threatens a healthy body, a region in trouble holds back the entire economy

from achieving the kind of prosperity it could achieve.

The "Blueprint for Balance" package would cut the deficit just as deeply as any other plan proposed without touching Social Security cost-of-living-adjustments.

Finally, I want to take a moment and stress our recommendation for a freeze in defense budget authority. We recognize the imperative need to meet our global security challenges. We would not support a budget which left America unable to defend her interests. But we do not accept the notion that one particular department of the Government cannot be asked to be as efficient in its business as the others.

Our good friend and colleague from New York [Mr. KEMP], is fond of saying, "If you subsidize something you get more of it." Well, for too long now we have been subsidizing at incredible levels the kind of waste, bureaucratic inefficiency, and fiscal mismanagement that the Republican Party was sent to Washington to clean up. If we are going to continue to demand tight standards of accountability and performance from the civilian side of our Government, should we not also expect it from the greatest military organization in the world? It is time to remember what President Eisenhower warned us some years ago: That the prudent expenditure of defense dollars is even more important than what we spend our money on.

A Defense budget authority freeze at 1985 levels is an essential component of the fairness our plan provides. Moreover, a budget authority freeze will not, I repeat, will not undermine necessary efforts to modernize our forces. In fact, Defense outlays for procurement and other purposes will continue to rise during the coming years even with such a freeze. But we must begin to include the Defense Department in the overall campaign to reform Government's wasteful ways.

Mr. Speaker, the "Blueprint for Balance" is as sound as it is ambitious. It was prepared after hundreds of hours of discussion among Members from all across the country. It is backed up with calculations made by the Congressional Budget Office, in accordance with standards more realistic and rigorous than those used by the other body.

If enacted, our plan would save American taxpayers \$274 billion in deficit reductions over 3 years, more than halving the deficit to a level of \$111 billion by 1988.

But most important, our plan is equitable. We believe the American people will find it the fairest proposal offered. Fairness is not only an ethical imperative, but a political one. The board support of the American people will be essential if we are ever going to get cracking on deficit reduction. And while I'm sure there are parts of our

budget which will make some less happy than others, we firmly believe it is a compromise package that all can support. I am very proud to have been part of the working group that put this budget together, and I look forward to working with my colleagues on both sides of the aisle to achieve a budget "Blueprint for Balance."

Mr. Speaker, I yield to the gentleman from Iowa [Mr. TAUKE].

Mr. TAUKE. I thank the gentleman for yielding.

Mr. Speaker, I commend the gentleman for taking this special order so that we might have an opportunity to acquaint our colleagues in the House of Representatives and others across the Nation with the product of our work over the past 4 months.

About 4 months ago, 30 Members of the Republican Party in the House formed the 92 Group, and we established a task force of about 16 Members of that group who have been responsible for going through the Federal budget on a program-by-program basis to try to determine what kind of budget package we can put together.

We have come up with a document which I believe is the most solid document that has been presented thus far to Members of the House on the budget question.

Our first objective in attempting to deal with this problem was to attempt to put together a budget that would reduce the deficit through spending reductions totally at least \$50 billion. It was our judgment that a \$50 billion deficit reduction was necessary in order to perpetuate the economic growth that we have had in the country over the last several years.

We have been fortunate to have this kind of growth. It is difficult to sustain it for a long period of time. We have not had sustained growth in our country for 5, 6, 7 years and running in our history. To sustain that kind of economic growth for the rest of this decade, as we hope to do, we have to nurture it along. One of the ways we do that is by reducing this deficit somewhat. We thought \$50 billion was a minimum.

Second, we felt by reducing the deficit we would contribute to the trend toward declining interest rates, which is a part of maintaining that economic growth. We felt it would also lead to a more properly valued dollar in the world marketplace, which would contribute to the effort to solve our trade deficit problem, and make our goods more marketable in the world.

□ 1800

We also recognize when we set that \$50 billion deficit reduction goal that at the current time we anticipate that this year's deficit, just this year's deficit, will cost our children in their life-

time about \$10,000 to \$15,000 in additional taxes.

Let me repeat that: That during the lifetime of our children, they will pay interest on this deficit, just this year's deficit, of about \$10,000 to \$15,000. So we believed that it was essential for economic growth and for the future that we reduce deficits through spending reductions.

Our second major objective was to attempt to do this in a fair and equitable way, so we looked at all the programs that we had at the Federal level and determined that there were six programs that should be terminated, including, for example, the Synthetic Fuels Corporation and part B of impact aid to education.

We then looked at 75 other programs that we felt could have some cuts in them. During the course of this special order, we will be talking about some of those cuts.

We froze every other program at current spending levels because we did not think it was fair to cut one program in order to fund increases in another program. So by freezing, by terminating where we could, and by reducing below a freeze, we were able to come up with \$50 billion in spending cuts that we believed were fair and equitable.

We took half of our reductions from the defense segment of the budget, which has been growing very rapidly, and since we have been using as our bottom or baseline here in Congress the Rose Garden agreement of a year ago and projecting that as the current policy, we are reducing that spending roughly \$25 billion from that level in the coming fiscal year in this budget.

We reduced domestic programs by roughly \$25 billion and we provide for no tax increase.

So I think that our budget package, which is designed to achieve the goal of \$50 billion in spending reductions and doing it fairly and equitably is one that can be acceptable to a majority of the Members of the House and I believe can garner broad support across the country. If we can pass this budget, we believe that we will have dealt fairly with the American people and we will have also assisted in the effort to promote economic growth in our country in the years ahead.

Mr. BOEHLERT. I thank my distinguished colleague and co-chair of our 92 Group for the excellent statement.

When you talk about the deficit being in crisis proportions, you put it into perspective and the American people begin to realize that each day, every 24-hour period, the U.S. Government is spending \$265 million just in interest on the national debt. We understand that. We are committed to deficit reduction, and I thank my distinguished colleague from Iowa for the leadership he has provided.

Mr. **TAUKE**. And I thank the gentleman for taking this special order. I think when we do talk about the deficit, it is important for people to realize that this year we are expecting, if we do not change policy, that we would have deficits that would total about \$1,000 per person in the country. So for every man, woman, and child, we would be spending about \$1,000 more than we are taking in.

You do not have to be an economist to figure out that that causes you trouble down the road, so we are taking the tough action necessary to begin to get a handle on that handle.

I thank my colleague for his courage, and I hope that there are at least 218 others in the House who will have the kind of courage that he has demonstrated.

Mr. **BOEHLERT**. We are working very hard on that.

Mr. Speaker, I will be glad to yield to my distinguished colleague and my neighbor from Vermont [Mr. **JEFFORDS**].

Mr. **JEFFORDS**. I thank the gentleman for yielding and I want to commend him and also the previous speaker for all the work that they and many others have put into this budget.

I am pleased to be able to speak in support of the budget alternative developed by the 92 Group. What we are proposing is a responsible package of recommendations that strives to reach the required savings without doing irreparable damage to vital programs. We are not in opposition to the President in his attempt to achieve budget savings. We are willing to make our fair share of budget cuts. Our interest though, is in finding a middle ground which responsibly addresses the budget deficit problem, but which also incorporate a fair approach so that individuals served by these programs are not overlooked.

I have particular interest in two areas of this package which come under the jurisdiction of the Education and Labor Committee on which I am the ranking Republican member. These areas are the Child Nutrition Programs and the Guaranteed Student Loan Program.

First, in the area of child nutrition, the 92 Group proposal would save approximately \$400 million in fiscal year 1986. These savings are achieved without destroying the current structure of the School Lunch Program. Specifically, the proposal calls for a 1-cent reduction in the section 4 cash support for the so-called paid student and a 1-cent reduction in commodity assistance. Together these reductions total approximately \$38 million in savings without creating the likelihood of large-scale reduction in participation in the School Lunch Program by school districts across the Nation.

Additionally, \$200 million can be saved by requiring documentation of a

family's primary source of income with the submission of application for free and reduced priced school lunch benefits. This provision insures that only those children from eligible families will be served free and reduced price meals.

Finally, the proposal calls for a freeze in all reimbursement rates for all child nutrition programs effectively July 1, 1985, through June 30, 1986. This provision provides approximately \$160 million in savings for fiscal year 1986. In each case, we are trying to preserve the integrity of the overall program while attempting to insure that eligible participants continue to receive a reasonable level of assistance.

In the Guaranteed Student Loan Program the savings that would be effected total approximately \$200 million. This proposal essentially parallels the Senate recommendations. Specifically, savings can be achieved through program reform without reducing access to higher education by students who are currently being served under the program. These reforms include a universal needs analysis, reduction in the special allowances paid to lenders, mandatory multiple disbursements by lenders, reduction in the reinsurance provisions for State guarantee agencies, and tightening of the definition of "independent student." I would like to point out that none of these reform measures involves a cap on the amount of assistance or on the cost of attendance at any particular institution. They are legitimate savings which do not adversely affect students. Further, these are a list of possible areas that will not make it necessary to make all of those changes in order to accomplish the savings that we need to make in order to help bring this budget under control.

With these recommendations, I believe that the 92 Group has met its objective. The proposals are sound and based on clear understandings of the programs and the people they affect. Our effort should be to preserve the integrity of effective programs while sharing the burden of achieving necessary budget reductions. We must continue to look for responsible alternatives that have an eye toward the future.

Mr. **BOEHLERT**. I am so glad my colleague mentioned these two very critical programs, the Child Nutrition Program and the Guaranteed Student Loan Program. We have demonstrated by the manner in which we are handling our budget proposal that we can come up with a plan that is fiscally responsible and also socially responsible.

Many of us in this body would not even be here today if we did not have a Student Loan Program when we were going to college to borrow to pay our way through college and then we

all did the same thing. When we graduated, we paid back the Government. The Government made a wise investment, and I just thank the gentleman for calling attention to this very important aspect of our blueprint for balance.

Mr. Speaker, I see that the chairman of our Budget Task Force is on his feet, and I would be glad to yield to the gentleman from Michigan [Mr. **PURSELL**] who has done such an outstanding job chairing the Budget Task Force of the 92 Group.

Mr. **PURSELL**. Mr. Speaker, I see we have the gentlewoman from Connecticut on my left who is waiting to be recognized. I would defer to her.

Mr. **BOEHLERT**. I would be pleased to yield to the gentlewoman from Connecticut [Mrs. **JOHNSON**].

Mrs. **JOHNSON**. I thank the gentleman for yielding.

Mr. Speaker, I would just like to reiterate what my colleagues have made very clear, because I feel it is extremely important for all to recognize that we believe that the paramount function of this Congress is to reduce Federal spending by a minimum of \$50 billion and thereby address the deficit problem that represents such a significant threat to our economic future.

A strong and productive economy is the cornerstone of American society and of our leadership in the world. It is, therefore, essential and the overriding responsibility of this Congress to get control of the deficit. Reducing spending is critical to assure our continued economic growth, expand job opportunities in our Nation, and equally important to reducing the trade deficit, restoring the competitive position of American industries abroad and preventing economic crisis for our trading partners in the developing countries of the world.

Large deficits affect every sector of the economy, every American, every business, every worker. The deficit crisis is a real threat and one that must be addressed and, therefore, no part of the budget, including defense, can or should escape scrutiny. Targets must be set for deficit reduction with the goal of eventual deficit elimination in mind.

There were two things that I would particularly like to point out about our package before my colleague from Michigan gives a more thorough presentation of its broad outline.

One is that those of us involved in developing this package do believe that government plays a constructive role in stimulating economic growth in America, and particularly has a responsibility to those regions of the Nation where unemployment is high, where growth has been difficult, where structural change is a real part of people's life and of their pain. So we have not eliminated very important

programs like the economic development grants, the UDAG grants, or the community development block grant moneys.

□ 1810

We have reduced them, but modestly. We have retained the power of this Federal Government to address the need for economic development in those areas so deeply affected by structural changes that are beyond our control.

Mr. BOEHLERT. Mr. Speaker, the gentlewoman from Connecticut makes a very good point, because when you are talking about deficit reduction, and the deficit crisis in America, we must always keep in mind the basic fact that every 1-percent increase in unemployment adds \$30 billion to the deficit. So if we move in the other direction with the very programs you are talking about, the programs under the jurisdiction of the Economic Development Administration and the Urban Development Action Grants, those are programs designed to have the Federal Government in a partnership role with the private sector, but the private sector is the senior partner providing the guidance and hopefully creating new jobs.

Mrs. JOHNSON. Yes, Mr. Speaker, my colleague, the gentleman from New York, has made a very important point, that economic development is a partnership responsibility, and we recognized that in the decisions we have made in articulating this budget.

A second thing we have done that I think needs to be pointed out is that we have been sensitive to the human service needs of particularly people in urban areas, small urban communities and large urban communities throughout America, where in truth United Way agency services are not meeting the needs of low-income families. Community service block grant moneys are essential to address the needs of these families to complement a system which, as strong, viable, and important as it is, because of government's withdrawal from that sector, is ever more dependent on sliding fee-for-service scales which make it difficult for low-income families to participate fully.

So the Community Services Block Grant Program, which is eliminated by other budgeters in the Congress, is supported strongly in this budget, and I think that is important and worth noting. Human services are our concern. The stability and viability of that network is clearly a commitment that we have made in this budget.

Last, let me just say that every one of the decisions in this budget was the result of long and heated debate. These decisions represent tough compromises, but they are made with the knowledge that the Nation's future, our children's future, the free world's future, and in fact that of the global

economy depend on the ability of the Members of this Congress to debate among themselves and make the kinds of decisions that we have made in order to achieve the all-important goal of addressing the deficits that threaten our economy and the well-being of the world.

Mr. BOEHLERT. Mr. Speaker, I thank the gentlewoman from Connecticut.

Mr. PURSELL. Mr. Speaker, I thank the gentlewoman from Connecticut, and I sometimes think that she is not so gentle as tough, because we did make tough decisions, and I commend her on her outstanding leadership in the budget process. That is an achievement in itself.

Mr. Speaker, we will next hear from the gentlewoman from Maine, Ms. OLYMPIA SNOWE, cochair of the 92 Group, and one of our outstanding leaders for many years.

Mr. BOEHLERT. Mr. Speaker, I yield to the gentlewoman from Maine.

Ms. SNOWE. Mr. Speaker, I want to thank the gentleman in the well for taking out this special order this evening. I commend him for his diligence, and I commend also the gentleman from Michigan [Mr. PURSELL] for his outstanding work and performance in developing and heading up our budget task force that is the result of our work here this evening and the one that we hope to work with in the legislative process to address the budget proposal.

The gentleman has raised a number of comments, and other members of the 92 Group, I think, have addressed the issue very well. But first I think it is important to emphasize that, as has been the case here, this is an evenhanded approach to deficit reduction. It is never easy to reduce deficits by \$50 billion in 1986 and \$300 billion over the next 3 years without affecting many important programs to our constituencies and to all regions of the country.

That is the primary reason why we decided as a group at the outset to establish the minimum threshold at \$50 billion but to do it in a fair and balanced way. So I think our budget-deficit proposal is rooted in fairness and equity. It is clear that a trillion dollar package is not 100 percent acceptable to any group of the House or the Senate, but nevertheless we can embrace this proposal because it does represent a sense of fairness.

We also recognized that we wanted to spread the burden of deficit reduction evenly among a number of programs that comprise the Federal budget, and that is essentially what we have done here today.

Finally, I might say that there is a difference. Although we can compare what happened in 1981 with the spirit that is taking hold in 1985 in our approach to deficit reduction, neverthe-

less I do think there is an important distinction. In 1981 we cut a number of domestic programs without really affecting defense expenditures. At that time defense, on the heels of the Carter administration, had been neglected in many respects. In fact, our national security was at the point of being in danger, so we had to make a significant investment in defense. But now it is a different story. We have made an investment of billions of dollars in defense, and we plan to do that in the years ahead, so now we think that defense can come in and take some of the cuts along with other domestic programs that have absorbed reductions in the past. We do not believe that any one program or any one group or any one region of the country should have to absorb and assume the burden of deficit reductions for any one program.

So we have attempted, I think, in a fair and evenhanded way to spread those reductions across the board. We recognize the importance of programs to our farmers, to crop subsidies, to trade adjustments, to those individuals who lose their jobs because of imports, and for student loans to the students who rely on them extensively in order to pursue an education.

So we think all these programs are essentially important. That is the way the Government pursues the common goal, by intervening and providing these services. So again I think that our budget represents that bottom lines of fairness and equity in every respect.

Mr. BOEHLERT. Mr. Speaker, the gentlewoman from Maine [Ms. SNOWE] brings up some very good points. I think the key test we applied as we went through this long deliberate process was: Does our proposed action pass the test of fairness? Is it evenhanded?

Our colleague, the gentlewoman from Connecticut, pointed out earlier that there are a number of programs and each of us has our favorite programs. There are some programs that I would like to regard as untouchable because I have seen them work very effectively in my particular district and my particular State. But we all "gave at the office," so to speak. We all looked at these programs and said that if we all take the basic position that everybody else has to be cut and we cannot cut our pet projects, we will never get anywhere. So we all yielded somewhat, and unlike some other alternatives on the public agenda today, we did not totally eliminate some of those programs like those under EDA or UDAG; we had a slight reduction. But we emphasized the importance of those Federal activities designed to preserve existing employment and create new jobs, and so we kept them.

Ms. SNOWE. Mr. Speaker, I think the gentleman makes a very important point, and that is that Congress on so many previous occasions has stated its support for many of the programs the gentleman has referred to. They are important to our constituencies, and they are important to provide economic development in so many regions of our country.

□ 1820

We also would recognize that our budget is not ideologically or regionally based. We did not approach the process with a premise of what programs we will protect. What we did do is approach the process through the premise that we are going to reduce budget deficits by the minimum threshold of \$50 billion in 1986 and several hundred billion in the years beyond.

I think that is illustrated by the budget that we have produced here today and hopefully will meet with success here in the House of Representatives; but it is a product of many intensive hours of negotiations and compromise and consensus.

I guess we can appreciate the members of a Budget Committee and the process that they undergo in attempting to come up with a budget package.

So again I thank the gentleman for yielding and again I want to congratulate the gentleman from Michigan [Mr. PURSELL] for the outstanding work that he did on behalf of our group, and on behalf of the Congress, and on behalf of the Nation.

Mr. COUGHLIN. Mr. Speaker, will the gentleman yield?

Mr. BOEHLERT. I yield to the gentleman from Pennsylvania.

Mr. COUGHLIN. Mr. Speaker, I just want to say that I subscribe to what the gentleman from Maine [Ms. SNOWE] has said.

Mr. Speaker, as a sponsor of the budget proposal put forward last week by the 92 Group, I am pleased to participate in this special order.

The 92 Group budget proposal is a reasonable and balanced plan for cutting the Federal deficit in half in 3 years while meeting our Nation's most important needs. Without raising any new taxes—which would be counterproductive to economic growth—the 92 Group budget would cut \$51 billion from the deficit in fiscal year 1986 and a total of \$275 billion over 3 years.

This strong commitment to deficit reduction would be achieved with fairness. Based on a spending freeze across the board including defense, the 92 Group proposal goes further to recommend spending cuts and changes in 75 programs. Sacrifices would be required of many special interests but the burden does not fall disproportionately on any single group. It is not perfect—no budget ever is—but the 92 Group budget package is the fairest

and most politically feasible of the budget proposals advanced.

In the transportation area, the 92 Group budget calls for belt tightening and sacrifice as it does in all areas of spending. At the same time, the 92 Group budget allows for the maintenance of a balanced system of public transportation meeting differing local needs throughout the country.

In recognition of AMTRAK's essential role as our Nation's only national rail passenger service, the 92 Group budget rejects the administration's proposal to eliminate AMTRAK operating subsidies and restores 80 percent of the present funding level.

Similarly, the 92 Group's budget rejects deep reductions in mass transit assistance while calling for some contribution to deficit reduction in this area. The 70-percent cut in mass transit funding requested by the administration would be fatal to many local mass transit systems which are critical to urban areas like Philadelphia. The 92 Group budget would restore the bulk of mass transit funds although formula grants would be reduced by 20 percent in fiscal year 1986 as part of the across-the-board deficit reduction effort.

As a longtime champion of mass transit assistance because it is good social policy and makes economic and environmental sense, I recognize that any budget reduction will create problems for local mass transit systems. I wish that mass transit programs could be fully funded at present levels but the worsening deficit situation demands that we in Congress act responsibly by making the difficult but necessary decisions to restrain spending for programs we may personally favor.

Student assistance represents another example of the 92 Group's fair and moderate approach to trimming the deficit. The Office of Management and Budget's proposal for student aid would have cut funding by 25 percent and imposed a \$4,000 "mega-cap" on total annual Federal assistance to individual students. In addition, the OMB proposal would have disqualified students from families with incomes above \$32,500 from eligibility for guaranteed student loans.

By contrast the 92 Group budget preserves the present strong Federal commitment to higher education by restoring most of the funds the administration's budget sought to cut. Under the 92 Group plan, student aid would be reduced by less than 5 percent overall. No cap on total Federal aid per student would be imposed nor would a ceiling be placed on family income. Instead, a needs analysis would be required for all students seeking Federal assistance, not just those with family incomes over \$30,000 as is presently the case. In this way, the need for student aid would be assessed on a case-by-case basis rather than according to

an inflexible family income rule which would not take into account individual family circumstances.

The 92 Group budget is a carefully thought out blueprint for achieving substantial deficit reduction. I am convinced that the American people will accept the call to sacrifice as long as the burden is shared equitably. The 92 Group budget achieves this goal.

Mr. BOEHLERT. Mr. Speaker, I yield to the gentleman from Michigan.

Mr. PURSELL. I think it is important here to understand the budget process. We have a Budget Act. I think it was written around 1973-74 by Senator Muskie and others, both in the Senate and in the House, who asked us to set targets because of the overspending and the rapid clip of spending generally in the House and in the Senate over the years.

So now we have set budget targets and we are happy to report, as the gentleman from New York knows, that this is the first budget that was completed on time in both the Senate and in the House and released to the press and will be introduced this week, meeting our May 15 deadline.

I think that in itself is an accomplishment, because I think the budget process over the years has eroded. We have had authorization bills, spending bills, concurrent resolutions, supplementals, and it gets rather confusing to the taxpayer out there and Members of Congress alike to look at this budget process and say: "My God, don't we have fiscal responsibility in Washington? Can't we keep our House in order?"

So the budget process is professionally a time process in which we have introduced our budget proposal. It has taken 1,000 man-hours on behalf of many outstanding members of our 92 Group.

I would like for the RECORD to read those people who participated in this task force. Our outstanding cochairman is TOM TAUKE, and OLYMPIA SNOWE you have heard from today.

We have had some outstanding senior members; HAM FISH from New York; STU MCKINNEY of Connecticut; MATTIE RINALDO of New Jersey; myself from Michigan; DOUG BERETER from Nebraska; STEVE GUNDERSON, who will speak in a few minutes on agriculture, from the State of Wisconsin; CLAUDINE SCHNEIDER from Rhode Island; ROD CHANDLER, outstanding Member from the State of Washington on defense. He has been an outstanding speaker in that area.

Then we have NANCY JOHNSON from Connecticut; JACK MCKERNAN, an outstanding young man from Maine, also a former captain of the Dartmouth tennis team. We can win on the Senate and House floor here maybe with this budget proposal, but I think he is unbeatable on the courts.

We have TOM RIDGE, a young man, a sophomore, I believe, a third-termer from Pennsylvania; Ed ZSCHAU from California, an outstanding person, an entrepreneur in his own right; PAUL HENRY, a bright, young, talented Congressman from my State who replaced Hal Sawyer, formerly President Jerry Ford's district in Grand Rapids; and JOHN ROWLAND from Connecticut, participating in the budget process.

Regardless of the outcome of the budget process and the strategies and the battles yet to be fought, to be won, and to be lost, frankly the spinoff value of the Members learning what our national priorities are, and having the courage, and the intestinal fortitude to sit down and hammer a trillion budget and come with \$50 billion in deficit reductions in the first year, \$91 billion in the second year, and I believe the third year, if I am not mistaken, it is approximately \$132.6 billion.

Mr. BOEHLERT. If my colleague will allow me at this point, I am so glad the gentleman listed the names and States of the members of this 92 Group, particularly those who served and worked so hard on the budget task force, because it is important for the American people to understand, this is not a regional document. This is a national document. From Maine to Washington State, from New York to California, and all the territory in between, we had diverse interests, we had Members who represent primarily agricultural districts, we had Members who represent districts with major urban centers and we had other Members who had a combination; so this is truly a representative document. I am particularly pleased that the gentleman listed those who have helped us so much.

Mr. PURSELL. Well, obviously there is a lot of quality there, I am sure.

I would like for one of the pages to take the charts here and assist us, if they would.

If you look at the chart on the floor, this is where we are standing today, with a major deficit of about \$220 billion, some say \$210 billion, but a deficit that staggers the imagination of every taxpayer in America. It affects our interest, our inflation, our monetary system, our trade balance, and so forth; so the Group 92 presents today the historical deficit from 1947 through 1985.

I think if you look at the chart you will see about 6 years of either a balanced budget or a minimal surplus and that is in about 37 years of legislative process by this Congress to have traditionally spent more than they have coming in in income. Fiscally, we consider that somewhat irresponsible, maybe a great deal of fiscal irresponsibility here, particularly if you look at those latter years.

Now, we do not have the time to assess who is to blame for that. The question is what are we going to do for the future in the next generation for our young people of the future who are with us today?

So if you go to the second chart, you will see that Group 92 has faced up to that realistic solution by recommending that we take \$51 billion out of an almost trillion-dollar budget this year, \$92.2 billion the second year, and \$132.6 billion the third year.

Now, that trend downward to achieve a balanced budget, hopefully soon, will it trigger recovery, not only did it trigger the stock markets, what the Senate did this last week, but as the House takes its legitimate leadership here, either a Democratic platform and a program that they might present, or bipartisan, or a Republican substitute, or the Group 92 plan, I think it is important that we realize that we are developing for the first time a change of direction in the Congress of the United States to reduce spending and to achieve a balanced budget that we can feel proud of as Americans in this young generation in which we are basically about 200 years old.

The next chart gives us an idea that we are looking at really two major pieces of the budget; the defense budget basically when President Carter left office was 21 percent of the general fund. Today it is about 28 percent.

We have spent \$1 trillion, 2 billion in the last 4 years on defense.

We have met our responsibilities at Geneva. We have met our responsibilities as being a leader of the free world; but at this point in time it is important I think for all of us to pause and take a look and reassess and reevaluate the defense budget of this Nation and to say to the Members of Congress and the taxpayers that we are going to take a look at reform. We are going to look at procurement, which is approximately \$120 billion a year, regardless who the President is. So we are looking at the Defense Department with tough, hard numbers, and I think we have got a lot of people's attention because of that, and that is healthy in developing public policy and public debate.

The other piece of budget that you see in red is the nondefense. That is tough for a lot of us who have big universities, like the University of Michigan, when we look at student aid, financial aid for educational programs, agricultural programs, and others; the EDA economic programs which the gentleman has led so forcefully in our budget process, to look at those programs and say that we can take some money out of those programs and protect those that have produced economic growth and development for this Nation, the dollars that have been in-

vested for the young people of America to be creative and to be talented.

So we have balanced this program off and that is the thesis of our budget proposal, a balanced budget for the future of this Nation, which we call the blueprint for balance.

So you see, we even pick up those savings of roughly \$24 billion in defense and \$24 billion in nondefense.

We also accumulate sort of a freebee along the way of \$2.4 billion of interest on the national debt, which is now the second most expensive program in the Federal budget.

So every taxpayer in America will pay 15 cents of every dollar—15 cents of every dollar that comes to Washington goes to pay the interest on the national debt. The national debt today is \$1,800 billion, rather staggering to a small businessman like myself some years ago to think that this young Nation has a staggering debt of a \$1,800 billion.

Mr. BOEHLERT. Mr. Speaker, if the gentleman will yield back to me, we cannot emphasize that enough. We are paying as a nation, \$265 million every 24-hour period of interest on the national debt. For the typical American family of four, that is \$5 a day just for interest on the national debt.

Mr. PURSELL. So we in essence debate each other and fight over priorities here of \$51 billion out of a trillion-dollar budget and we miss the big picture of what we can do for the future generation by achieving a balanced budget.

□ 1830

So I think \$51 billion, maybe it is not enough, maybe we should be doing more, the trend and the position of Group 92 says it is constructive, it is a constructive alternative. We are complementary to the President, we are complementary to the other body, we are complementary to our Democratic opposition in the House. And I think it is constructive and positive that we provide leadership in this Nation and not sit back and react and be reactionary, defensive about what this Nation should have as a constructive budget for the future of this country.

So I yield back to the gentleman. There are other outstanding members of our group who are going to participate today and we will be doing more of this on the House floor. I congratulate the Group 92, Bob MICHEL, and our leadership. We have made a presentation to him and also to David Stockman and the White House which had a presentation. We met with Bob DOLE back in February and March to make a constructive alternative on our first draft.

So we have been up front, honest, with credibility, and for that I say thank you to the budget task force and to Group 92.

Mr. BOEHLERT. I thank the chairman of the budget task force. I think it is important to note that our group reached out to anyone and everyone that would provide a source of input. We dealt with the Congressional Budget Office, we dealt with the Office of Management and Budget, we dealt with the Congressional Research Service.

Ours was a mission in search of answers to very difficult questions, in search of solutions to a very difficult problem.

Mr. GUNDERSON. Will the gentleman yield?

Mr. BOEHLERT. At this point I see on his feet my distinguished colleague the gentleman from Wisconsin [Mr. GUNDERSON] and I will be glad to yield to him.

Mr. GUNDERSON. I appreciate the gentleman yielding and want to join with those who precede me, both in congratulating the gentleman for this special order and particularly for the leadership by the gentleman from Michigan [Mr. PURSELL], and the budget task force, and the gentleman from Iowa [Mr. TAUKE], and the gentlewoman from Maine [Ms. SNOW], and generally the 92 Group, because I think what we have tried to do is not so much a philosophical thing as we have tried to recognize there are regional differences in this country.

We all represent diverse areas and what we want to try to do is put together a budget which is flexible, but a budget which is balanced and asks each and every American, each and every region of the country, to share equally in trying to make a contribution.

Along that line I would like to suggest from the agricultural perspective that No. 1 in our budget is that agriculture make those additional sacrifices that we are asking every other group, but at the same time I would suggest that we probably recognize the crisis in American agriculture more than any other budget documents that are before this Congress at the present time.

Let me just share with you some numbers, if I can, for fiscal year 1986. We probably have the most honest agricultural budget in the sense that we recognize that the fiscal year 1986 crop loans and deficiency payments are derived by the 1985 crop year. That crop is already in the ground and that crop will be harvested after October 1. So when all of these original budget proposals talk about making big savings in the Commodity Credit Corporation it is nothing more than smoke and mirrors because it cannot really happen because you have already constructed and construed by the 1981 farm bill and by the crop that is already in the ground.

But when you look at the different budget proposals in the agricultural

area or budget function 350 area, our proposal will save \$1.1 billion above and beyond a freeze in agriculture. That is compared with the budget that most recently passed the other body which will save \$3.3 billion, or one of the earlier so-called compromises which would save over \$4 billion in 1986.

So you can quickly get an idea of which budget, No. 1, cuts the least but which budget also is the most honest in its accounting. And, No. 2, I think most responsive to the credit and farm crisis that faces this country at the present time.

That is one of the things we are trying to emphasize I think in this entire budget proposal. There are ways in which you can meet that \$50 billion target and also be responsive to the very legitimate role and responsibilities of Government, and that is really what we have done.

Actually, we make no savings in our budget in the Commodity Credit Corporation in 1986. As I said earlier, we think those are really nothing more than smoke and mirrors. We do, however, make rather significant savings in 1987 and 1988 where we go to a \$9 billion cap on the Commodity Credit Corporation or Farm Support Programs, but that is telling the House and the other body's Agriculture Committees that as they write the 1985 farm bill to live within a \$9 billion cap. And I think realistically agriculture can and should be exactly that.

What we do is we also go beyond that and we make various administrative savings in terms of user fees and that type of thing. We adopt about half of what the administration originally proposed because, quite honestly, again, their original proposal was unrealistic and something that just was unobtainable in the present atmosphere in which we deal.

One of the interesting differences between our budget and that budget which recently passed the other body is we actually go along with the President's proposal to actually phase out crop insurance over a period of time. Actually the budget proposal in the other body does not do that. They maintain that, but rather what they try to do is eliminate natural disaster loans.

The problem with what they have done is if you get into certain regions of the country where crop insurance is not a viable program today, or it does not exist for various crops, what do those farmers in that area do if they cannot get crop insurance because it is not made available or financially feasible, and we have eliminated the natural disaster loans?

We put these people in a real quandary.

So I think, again, we are more defensible in that particular area. We have probably come up with what I would

suggest is the best proposal in farm credit that anyone has suggested around this Capitol in recent days and in recent weeks.

We do not save as much as the others do. We save only \$988 million the first year, and a little over a billion in 1987, et cetera. But I think it is the most responsible.

It was not too long ago where we debated on the House floor the whole farm credit crisis. What we do is simply take 40 percent of our Farmers Home Administration direct loans and make them into guaranteed loans.

I think all of us would like to see less of a Government role in direct lending in the Farmers Home Administration, but we recognize the need for farm credit. By making that transfer we save over \$850 million in this area alone.

So if you add it all up, each of these areas I have talked about, and a couple of other small ones such as research, which we do not touch, which other groups do in the agricultural area, as I said at the beginning, we save \$1.1 billion in fiscal year 1986. We save up to \$3.4 billion in fiscal year 1989.

And very interestingly, as you look at some of the other documents and compare our proposal with that which just passed the other body in the agricultural area, we save \$8 billion in the first out year savings and they save \$15 billion. So you can tell we were more on the right track, doing the right kind of thing.

I compliment the gentleman for his leadership and I yield back.

Mr. BOEHLERT. I thank the gentleman. I think that this 92 Group's budget submission evidences a sensitivity to the problems in American agriculture today, and I am so glad the gentleman enumerated just exactly what we did.

We are by far first of all the most honest budget on the table today because our figures are Congressional Budget Office figures. Second, I think we are the most sensitive budget to a very critical part of the American economy, the American farmer.

I thank my colleague for the outstanding leadership he has evidenced in this area.

Mr. MCKERNAN. Will the gentleman yield?

Mr. BOEHLERT. I am glad to yield to my colleague from Maine.

Mr. MCKERNAN. I, too, want to join those who have previously commended our colleague from New York [Mr. BOEHLERT] for taking out this special order. I can say as one Member from Maine that I certainly have enjoyed the opportunity to participate in what has not really been a pleasant task but I think has been one of the most important tasks that has taken place in the 99th session of Congress, and that

is a group getting together to address, in what I believe is a realistic way, the budget problems that face this country and try to develop a centrist, realist, moderate approach.

I would like to make just two points. The first deals with the fact that I believe this is a realistic budget, and I think that perhaps the correct term for it is representative budget. It is representative in that I believe it represents the views of people throughout this Nation and, after all, we serve in the House of Representatives. We are Representatives of approximately 500,000 people each. So we ought to be representing their views.

As we all know, I think, there is a fine line between following and leading, and we have to be sure that we are in fact representing the views of our constituents. But we also have to be sure and show the leadership that is so necessary, especially at a time when we are facing the kind of domestic problems that we face in this deficit that seems to continue to grow in spite of whatever action Congress attempts to take.

I think it is important to look at this budget because if really does address the views of the American people. It is a fair and equitable spreading of the burden. And there is no question that there is a burden. There is a burden because there is no way we can solve a budget deficit problem which is going to be over \$200 billion if we do not do something about it without having that burden shared by those in our society.

The key for representative democracy is to continue to have the faith of the people and the support of the people that it is designed to serve and the way to accomplish that is to adopt policies which those people believe are fair and equitable.

□ 1840

I believe the 92 Group budget does that. As we all know, there is a lot of blood left on the floor of the room that we met in to try to determine the proper approach. But I think that we all gave. Many of us do not have, as the gentleman from New York said, programs that we had hoped to have full funding for. We all had to agree to some cuts. We have made an important contribution to the process of doing something finally about this budget.

I would like to digress for a minute to make my second point. It is one that I hope that the people who are watching and the people throughout this country can appreciate. I am certain that the people in Maine, the State that I represent, will definitely appreciate it, because I have been talking about it for 2½ years that I have been in Congress now.

That is, that something very important happened in Washington, DC, in

1985. That is, finally we have put some artificial parameters around the action of both the House and the Senate in dealing with the budget process.

As many of us know who came here and became frustrated by the budget process in the Congress, we do not have the type of initiative that is necessary to have parameters around our decisions, to set up an artificial framework within which we have to make difficult choices. We do not have a balanced budget amendment that requires us to balance our budget. We cannot even agree on pay-as-you-go, that says you ought to raise the money to pay for the programs that you are funding. In fact, we cannot even seem to be able to agree, at least until this year, to freeze spending. I think those types of artificial programs to force us to work within certain constraints are necessary. What has happened in 1985 is that for the first time Republicans and Democrats alike, the Reagan administration, the Senate and the House have all seemed to agree that \$50 billion is the minimum that we can do. We have to find a way to cut \$50 billion out of spending for 1986.

That is a monumental change in the way we have approached the budget process. I think that is what is so important about the 92 Group budget; that is, that we have taken that challenge of cutting \$50 billion in 1986 and we have said: "How can we distribute the burden in the fairest possible way?"

We have done it by facing the political realities. The political reality, the most important political reality, is that the leadership on the majority side of the aisle has said that Social Security cost-of-living adjustments are off limits.

Well, it does not serve any purpose to say we will reach our \$50 billion by including a freeze on cost of living for Social Security recipients. Instead, we ought to be looking at a program that could in fact get bipartisan support. That is what this budget document does. It says we can address the Social Security issue on our own, but the most important part is finding \$50 billion. This budget, thanks to the leadership of the gentleman from Michigan [Mr. PURSELL] on our budget task force has found \$50 billion without addressing the issue of the cost-of-living adjustment on Social Security. I think that that is an important part. We have frozen the defense authority. People who are concerned, as I am about our national security, about making sure we have sufficient defense for this country and we are spending the dollars that are necessary but spending them in the most efficient way, can rest assured that those of us who agree to freeze authority on defense realize that that

still means we will spend another \$17 billion more than we spent in 1985 because of funds previously authorized, funds that are in fact going to be spent in 1986.

So I just think that the 92 Group, especially the leadership of the 92 Group, ought to be praised for the work that they have initiated, and I just am pleased to be identified with this particular project because I believe it is a great step forward in solving what I view as the most important domestic problem that this country has to address.

And I thank the gentleman, Mr. BOEHLERT.

Mr. BOEHLERT. I thank the gentleman from Maine and indicate that he has made a very good point in that we are subordinating parochial interests to the national interest. The good news for all America is that Republican and Democrat alike agree that \$50 billion in deficit reduction is the starting point. We are in dead earnest about this very important mission, and I think the 92 Group has come up with a very responsible document.

A large part of that document deals with the area of defense. For that we have looked to our distinguished colleague from Washington for some leadership.

Mr. Speaker, I am glad to yield to the gentleman from Washington at this time.

Mr. CHANDLER. I thank the gentleman for yielding, the gentleman from New York, and for organizing this special order today.

I cannot say enough about CARL PURSELL and his leadership, that of Mr. TAUKE and Ms. SNOWE as well.

Certainly one of the first decisions that was made, I think, in the 92 Group was that if you do not include defense as a part of the mix of reductions, you do not get enough reduction to get you to even close to the \$50 billion goal that you have.

So the 92 Group did include defense.

The speaker just before me made a very important point and I want to reiterate it. When you see on that chart up there that defense has contributed 48 percent or \$24.6 billion of the reduction in this deficit, that reduction is in the projected deficit, not in defense spending. It is reduced increases. We are freezing at a very high level. In the last 4 years defense spending has grown by 22 percent in real terms, in real dollars. Take out inflation and you have had 22 percent more dollars spent in defense. So it is very important that the American people who are concerned as we are about a strong national defense understand that when we freeze this budget authority for defense we are freezing it at a very high level. I think there is a considerable amount of concern around this

country about what is it we are buying with these increased defense dollars?

I think it appropriate that with the necessity for reducing the deficit that we pause for a moment and look at what are we getting for our defense dollar? Just a couple of statistics: We have had a 75-percent constant dollar increase in aircraft procurement in the last 4 years as compared to the 4 previous years. That is a 75-percent increase in constant dollars.

Yet we have purchased 11 percent fewer airplanes.

Now I understand, as you do, that those airplanes are more expensive, they are more sophisticated, and they cost more. But isn't it appropriate that at this moment we ought to take a look at the whole mix of what it is that we are buying? Are we getting that much more defense for that extra expenditure? Or are we just buying gold plating?

The same is true in shipbuilding and so forth.

I want to make a point that the Senate budget that was sent over just last week has within it a 3-percent pay raise for military personnel. It really seems to me that the \$1.4 billion that it would take to fund that pay increase, while at the same time freezing the cost-of-living adjustments for Social Security recipients, would not be appropriate.

We do not take a position on Social Security. I personally favor freezing the cost-of-living adjustment for Social Security. But I certainly do not feel that we are justified in raising the pay of anybody else—Congressmen, civil service employees, or military personnel—while we are freezing the benefits of anyone else in this budget.

Mr. BOEHLERT. Mr. Speaker, I think it is very important that all understand that, on the subject of Social Security, we had extensive discussion and there was no agreement. Many of us feel very strongly that we should guarantee the cost-of-living increase for Social Security recipients on January 1, 1985. Others have a different opinion.

So what we decided in our group was to deal with that issue separately from this deficit-reduction package.

□ 1850

It is a very individual, it is a very personal matter, and we have differences of opinion.

Mr. CHANDLER. I think it is worthy to mention that many of us have worked with members of the other party, the majority party here in the House, and I am encouraged by the attitude expressed by them that they are willing to take a look at all of these areas of spending and that we really may be able to achieve a bipartisan approach to all of these areas.

Let me just conclude by saying that it is very difficult to know how much

is enough, in anything, whether you are a city councilman in deciding how many police officers you need, or whether you are a Member of Congress and decide how many B-1 bombers, MX missiles, or M-1 tanks.

We are not looking at this cavalierly, not in any way whatsoever. We were challenged earlier today that is we are going to make this kind of proposal that we ought to come back with a recommendation of where those cuts will come.

We are going to take that challenge very seriously, and we are going to answer that question, but we are also going to ask the Defense Department that same question; if this were the budget that you were to have to implement, what would be the highest and what would be the lowest priorities?

I have not yet seen an answer come from the Pentagon to that question; it has been asked. I demand it. I think the Congress has a right to see it, and I insist upon it. I am going to ask for it tomorrow when we meet with the Secretary of Defense, and within a short time I expect that we ought to see that answer so that we and the American people can see what will be the result of the Defense budget such as the one we propose.

Mr. BOEHLERT. I thank my colleague, and I would like to point out that all during our deliberations there was unanimous agreement among our group that the first priority of the Government is to provide for the peace and security of the American people.

So one one suggested, among our 92 Group, that we drastically slash defense spending next year over this year, and as you have so eloquently pointed out in your remarks, we are freezing defense spending at a very high level.

As a matter of fact, in our proposal, while we freeze new budget authority, obligational authority will actually increase by some \$17 billion because we already have in the pipeline—that is the Washington phrase for it—in the works, various programs that have been approved by previous Congresses.

I yield to my colleague from Connecticut.

Mr. ROWLAND of Connecticut. I thank the gentleman for yielding to me, and I, too, would like to echo my strong feelings about the leadership of the 92 Group, and perhaps I can add a little bit of a different perspective; and that is as a new Member of this distinguished body, it has been a great joy and relief to me to see this group formed, and working together to solve the budget problems that we are facing.

Mr. Speaker, for the last 6 months and indeed for the last year and a half we have heard talk from our constituents, from our colleagues, from special

interest groups, continuously asking us to cut the budget.

We automatically hear: "Cut the budget, but don't cut my special programs." I think one of the greatest things about this particular budget, and one of the reasons why I like it so much, is that it does not benefit any one special interest group. It is a freeze across the board, as you have articulately outlined.

One of the terms that I used earlier, almost in jest, and I am going to use it this evening, is that it is a budget of reverse pork barrel. The reason I use that term is that over the last 50 years, we have seen the 435 Members of the House and the 100 members of the Senate continuously tacking on pork barrel legislation, continuing to increase spending for their special projects, their constituencies or their special interest groups that they happen to admire.

In this program, and this budget, and this blueprint, we have done the exact opposite. We have seen compromises made by members of the 92 Group, whether they be in agriculture, whether they be in defense, whether they be in urban job programs, whether they be in education. We have all sat down, looked at each other and said, "Yes; it's time to cut the budget. I'm willing to do my part if you're willing to do your part." That is why I use the term, reverse pork barrel.

There are a couple of things we have done in sharing the pain across the board. We have reduced our own legislative funds by 10 percent. We have reduced our own executive branch by 10 percent. We have phased out revenue sharing over 3 years, rather than total elimination of the program, and requiring our municipalities to go cold turkey.

We talked about Amtrak, reducing that by 20 percent rather than total elimination. We reduced UMTA discretionary grants by approximately 15 percent rather than elimination. We have reduced UDAG and Community Development Grants by 10 percent rather than elimination. We have tightened up on student loans, something that is very dear to my heart, rather than going with the \$32,500 cap per family, which would have sent thousands and thousands of people back home, taken away their opportunities to go to school; we have just tightened up on those programs and required a needs test, which is already in effect.

We have capped agricultural price support at approximately \$9 billion. We have reduced SBA programs, rather than total elimination. We reduced Federal employee leave costs by following some of the Grace Commission proposals.

There are no tax increases; there is no delay in the COLA for Social Security.

rity recipients, and I think we realized in sharing that pain that we are presenting a very fair and a very equitable budget, a very moderate one.

Now, only time will tell whether our proposal will be passed in whole or in part, but I think the members of the 92 Group, especially some of the newer Members who are joining ranks, some of the newer Members who have been involved in rigorous campaign over the last year, saying they are going to reduce the deficit.

Yet when it comes time to pick certain programs, when it comes time to indicate specifics, we all tend to get a little weak-kneed. I think that the members of the 92 Group can be proud of the blueprint that we have offered to our colleagues. It is a moderate alternative; it does not raise taxes, and most importantly, we are not saying, "No; we can't reduce this deficit." We are saying, "Yes; we can; we're ready to do it, and we're ready to do it fairly."

I want to thank the leadership of the 92 committee, and I hope that our colleagues on both sides of the aisle will come to our side, and I think it is also important to note that this proposal is not in concrete; it is a blueprint. We hope to work with Members from both sides of the aisle to come to a clear conclusion on the budget.

● Mr. FISH. Mr. Speaker, I am pleased to join my colleagues from the 92 Group today to discuss our budget proposal. As a member of the budget task force, I admire the effort put into this endeavor by the chairman, CARL PURSELL, and the other members who overcame regional differences to present this blueprint for balance.

Mr. Speaker, I believe the 92 Group Budget should enjoy the support of not only our Republican colleagues, but those Democrats as well who seriously wish to reduce our huge Federal deficit. We have a thoroughly fair and rational approach to deficit reduction, starting with a comprehensive freeze on all Federal spending, including defense. This, to me, is the basis for freezing all other domestic programs and cost-of-living adjustments for Federal retirement programs except Social Security. Our national security will not be threatened in the least by freezing defense, even without adjustment for inflation. There is enough money in the pipeline to continue the buildup we have approved over the last 4 years. Our proposal would simply slow down this process. In regard to Social Security, we believe this is an issue which must be resolved in a bipartisan manner.

My colleagues in the 92 Group are to be congratulated for reaching the goal of \$51 billion in deficit reduction without raising taxes. Each person supporting this package strongly favors our budget, but dislikes some portion

of this proposal, indicating its overall balance and fairness.

Mr. Speaker, our budget is the first genuine effort in the House of Representatives to promote deficit reduction. I urge my colleagues on both sides of the aisle to join us as cosponsors of the 92 Group budget. ●

The SPEAKER pro tempore. The time of the gentleman has expired.

THE PROPOSALS OF THE 92 GROUP

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. HENRY] is recognized for 5 minutes.

Mr. HENRY. Mr. Speaker, I want to add my commendations to the splendid work of the 92 Group, and simply say that as a freshman Member, it is an overwhelming experience to come to this body and suddenly stare in the face of a \$960 billion budget and realize that almost \$220 billion of that is being paid for with funny money.

It has been my pleasure to join and work with this group, but also the work has not been without its tears. The problem of recognizing how difficult it really is, to come up with \$50 billion of real budget cuts; not paper gimmicks, not arbitrary funny figures that are simply put on a piece of paper, but real cuts.

The deficit right now, Mr. Speaker, is running at the rate of \$1,000 additional each year for every man, woman, and child in America. Now if we are going to take \$50 billion out of that deficit, that is equivalent of reducing Government services direct and indirect by \$250 for every man, woman, and child in America.

When I go back to my district, I tell people as they say "Cut the deficit, cut the deficit" to realize that this is not going to be a painless endeavor, as necessary as it may be.

In my case, I have a wife, I have three children. If we are going to take \$50 billion out of that deficit, it is five times \$250 in terms of loss of direct and indirect Government services and supports for my family if this thing is spread equitably across the board and we all share the pain.

As I look at my oldest daughter, who turns 17 next week, and reflect on the fact that every additional borrowed dollar will cost her \$32 in interest payments alone by the time she retires, if in fact we can reduce this budget deficit by \$50 billion, equivalent of a cut of \$250 for every man, woman, and child in this country, it saves each of those people, each of those children, those young people, the equivalent of \$8,000 of interest payments that they will have to pay on the rest of their life unless this comes out.

This is the most cost-efficient, the most conscientious thing we can do on their behalf.

I am so pleased to be a part of a group that sought to make these cuts in such a way that they are spread more broadly, and therefore fall more equitably across the entire spectrum of American society than any of the other proposals henceforth put before this body.

I would also like to point out, because this has been overlooked by many—because we have talked about broadening the burden, and broadening the pain, as it were. We have also lost sight of the fact that this proposal has more real cuts than the original administration proposal, both in terms of its first year savings and its second year and third year savings.

This is the most serious budget cut in terms of the magnitude of the cut of any of the proposals put before this body this far in the 99th Congress.

□ 1900

So, Mr. Speaker, I just wanted to express my appreciation for having the opportunity, as a younger Member of Congress, to participate in what I think is the most significant issue of this year's Congress.

Mr. TAUKE. Mr. Speaker, will the gentleman yield?

Mr. HENRY. I yield to the gentleman from Iowa.

Mr. TAUKE. As one of those who has been involved in the development of this budget and in the organization of the 92 Group, I want to commend the gentleman for the outstanding work he has done and the great contribution of his staff to this effort. He and others of the Members who have participated today in these special orders have all made an extraordinary commitment to tackle this problem. I know for a new Member, having been that once myself, that it is difficult to make that kind of commitment in time and energy. So I commend the gentleman and others for it.

Mr. HENRY. I thank the gentleman for his kind comments. I think, also, we ought to really be looking at the American people and thanking them for the support they are giving this body in fueling and encouraging our determination to address the issue of the deficit. I think all too often we face this whole effort with too much timidity and fear. As I have gone across my district, I have yet to have one person, in scores of town meetings, who has said, "Don't cut that deficit." They are all supporting the cut. They are all willing to share their burden, as long as the cuts fall equitably. And I am so pleased to have the help of these colleagues who gave us a package of balanced cuts in which the burden does indeed fall equitably.

AN ATTACK ON THE CONSTITUTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. Brooks] is recognized for 5 minutes.

● Mr. BROOKS. Mr. Speaker, yesterday's New York Times contains an interesting and thoughtful editorial regarding the administration's decision to unilaterally declare a portion of a public law unconstitutional and suspend its application. Last year, President Reagan signed into law the Competition in Contracting Act. At the same time, however, he declared provisions of the act to be unconstitutional and, relying on a memorandum from the Attorney General, ordered OMB Director David Stockman to direct all Federal officials to ignore the provisions of the act to which he objected.

In reaction to this radical and unsupported action on the part of the administration, which strikes at the very heart of our constitutional form of government, last week in the Judiciary Committee I offered an amendment to the Justice Department authorization bill that strikes all funds for the office of the Attorney General unless and until the Department of Justice instructs all executive officials to comply fully with the Competition in Contracting Act.

Mr. Speaker, I have one small quarrel with the New York Times editorial. While it suggests that denying funds for the office of the Attorney General "may be a bit theatrical," I believe that this issue raises such a major constitutional question that Congress must exercise its "Power of the purse" to direct the executive branch from its present course, if our system of free government and the rule of law is to endure.

I submit the New York Times editorial for the consideration of the Members:

CIVICS LESSON FOR MR. MEESE

The Secretary of Education, William Bennett, complained recently that schoolchildren don't know how a bill becomes law or that a President can't declare a law unconstitutional. Now it appears that the problem extends as high as the White House. President Reagan has declared unconstitutional a key provision of a law he signed last year, and Attorney General Meese has instructed Government agencies not to obey it.

As Representative Barney Frank has observed, the Administration is teaching by example, but the wrong lesson. The House Judiciary Committee has responded by denying funds for Mr. Meese's office until he gives out correct institutions. That may be a bit theatrical, but Congress has the better of this argument. Mr. Meese has a right to attack the law in court, but should meanwhile counsel compliance.

The law is the 1984 Competition in Contracts Act. It aims to encourage competition among Federal contractors by strengthening the hand of the General Accounting Office, Congress's investigative arm. The law suspends contract awards up to 90 days

for unsuccessful bidders who request a G.A.O. advisory opinion about their bids.

Those G.A.O. opinions do not bind executive agencies but they are often persuasive. The Justice Department argues that the G.A.O.'s role is unconstitutional because it retains discretion to render advice at any time in the 90 days and thus trigger the time of contract execution. A rigid 90-day delay would be all right, says the department, but letting a Congressional agency set the timetable in each case amounts to impermissible overreaching.

This finespun argument has failed its only legal test, in the Federal District Court in Newark. Obeying the law would not prejudice Mr. Meese's right to test it further, but it would show more respect for Congress and the courts. The Attorney General should not have to learn that lesson from Congress. He should be teaching it. ●

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. RAHALL of West Virginia (at the request of Mr. WRIGHT), for today, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. HENRY, for 5 minutes, today.

(The following Members (at the request of Mr. CHANDLER) to revise and extend their remarks and include extraneous material:)

Mr. LUNGREN, for 60 minutes, May 15.

Mr. BROYHILL, for 5 minutes, today.

(The following Members (at the request of Mr. WEISS) to revise and extend their remarks and include extraneous material:)

Mr. PICKLE, for 5 minutes, today.

Mr. WEISS, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. HOWARD, for 5 minutes, today.

Mr. BEDELL, for 5 minutes, today.

Mr. STARK, for 5 minutes, today.

Mr. LOWRY of Washington, for 30 minutes, today.

Mr. GONZALEZ, for 60 minutes, today.

Mr. BROOKS (at the request of Mr. TAUKE), for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mrs. BENTLEY, on the Panama Canal authorization bill in the Committee of the Whole today.

(The following Members (at the request of Mr. CHANDLER) and to include extraneous matter:)

Mr. BROYHILL.

Mr. DANNEMEYER.

Mr. BARTON of Texas in four instances.

Mr. DORNAN of California.

Mr. CRAIG.

Mr. MOLINARI.

Mr. NIELSON of Utah.

Mr. MCKERNAN.

Mr. SCHULZE.

Mr. CHENEY.

Mr. GEKAS in two instances.

Mr. COURTER in three instances.

Mr. LUJAN.

Ms. SNOWE.

Mr. FRANKLIN.

Mr. DAUB.

Mr. CONTE.

Mr. KEMP in two instances.

Mr. WOLF.

Mr. DUNCAN.

Mr. DREIER of California in three instances.

Mr. FIELDS.

(The following Members (at the request of Mr. WEISS) and to include extraneous matter:)

Mr. LANTOS.

Mr. GRAY of Pennsylvania.

Mr. COELHO.

Mr. PEPPER.

Mr. MILLER of California in two instances.

Mr. ASPIN.

Mrs. BURTON of California.

Mr. MOODY.

Mr. WAXMAN in two instances.

Mr. DOWNEY of New York in two instances.

Mr. RODINO.

Ms. MIKULSKI.

Mr. EDGAR in two instances.

Mr. FOWLER.

Mr. BATES.

Mr. DWYER of New Jersey.

Mr. MONTGOMERY in two instances.

Mr. LELAND in two instances.

Mr. KANJORSKI.

Mr. UDALL.

Mr. NOWAK.

Mr. FLORIO.

Mr. SKELTON.

Mr. PANETTA.

Mr. KOSTMAYER.

Mr. MANTON.

Mr. FRANK.

Mr. MATSUI.

Mr. SOLARZ.

Mr. FROST.

Mr. FUSTER.

Mr. STARK in three instances.

Mr. ACKERMAN in two instances.

Mr. HAMILTON.

Mr. BERMAN.

Mr. HUBBARD.

Mr. RANGEL.

Mr. ROE.

Mr. GUARINI.

Mr. JENKINS.

Mr. MARKFY in two instances.

SENATE ENROLLED JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled joint resolution of the Senate of the following title:

S.J. Res. 59. Joint resolution to designate "National Science Week."

ADJOURNMENT

Mr. TAUKE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 2 minutes p.m.), the House adjourned until tomorrow, Wednesday, May 15, 1985, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1280. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the Army's proposed letter of offer to Switzerland for defense articles, pursuant to 10 U.S.C. 133b (96 Stat. 1288); to the Committee on Armed Services.

1281. A letter from the Chairman, District of Columbia Law Revision Commission, transmitting a copy of the 10th annual report of the Commission for the year ending December 31, 1984; to the Committee on the District of Columbia.

1282. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the Army's proposed letter of offer to Switzerland (Transmittal No. 85-31) for defense articles and services, pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

1283. A letter from the Director, U.S. Information Agency, transmitting a report of an independent evaluation of Cuba service programming, pursuant to Public Law 98-111, section 9; to the Committee on Foreign Affairs.

1284. A letter from the Secretary of Transportation, transmitting a report entitled, "The Transport of Methanol by Pipeline," pursuant to Public Law 98-464, section 4(c); jointly, to the Committees on Energy and Commerce and Public Works and Transportation.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ROSTENKOWSKI: Committee on Ways and Means. H.R. 2475. A bill to amend the Internal Revenue Code of 1954 to simplify the imputed interest rules of sections 1274 and 483, and for other purposes (Rept. No. 99-87). Referred to the Committee on the Whole House on the State of the Union.

Mr. WHEAT: Committee on Rules. House Resolution 169. Resolution providing for the consideration of H.R. 1872 to authorize appropriations for fiscal year 1986 for the Armed Forces for procurement, for research, development, test, and evaluation, for operation and maintenance, and for working capital funds, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes (Rept. No. 99-88). Referred to the House Calendar.

Mr. ST GERMAIN: Committee on Banking, Finance and Urban Affairs. H.R. 1787. A bill to amend the Export-Import Bank Act of 1945; with an amendment (Rept. No. 99-89). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insular Affairs. S. 817. A bill to authorize appropriations under the Earthquake Hazards Reduction Act of 1977 for fiscal years 1986 and 1987, and for other purposes; with amendments (Rept. No. 99-90 Pt. I). Ordered to be printed.

Mr. ST GERMAIN: Committee on Banking, Finance and Urban Affairs. House Concurrent Resolution 76. Resolution expressing the sense of the Congress that the Export-Import Bank of the United States of America should continue to provide preliminary and advanced commitment for loans which may require approval approval on or after October 1, 1985, in keeping with the Bank's mandate, unless and until the Congress of the United States changes that policy or directs the Bank to alter its programs (Rept. No. 99-91). Referred to the House Calendar.

Mr. FASCELL: Committee on Foreign Affairs. H.R. 2456. A bill to amend the Arms Control and Disarmament Act in order to increase the authorization of appropriations for the fiscal year 1985, to extend the authorization of appropriations for the fiscal years 1986 and 1987, and for other purposes (Rept. No. 99-92). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 1426. A bill to authorize and amend the Indian Health Care Improvement act, and for other purposes; with an amendment (Rept. No. 99-94, Part I). Ordered to be printed.

SUBSEQUENT ACTION ON A REPORTED BILL

Under clause 5 of rule X the following action as taken by the Speaker:

The Committee on Interior and Insular Affairs discharged from further consideration of H.R. 1203; H.R. 1203 referred to the Committee of the Whole House on the State of the Union.

The Committee on Public Works and Transportation discharged from further consideration of H.R. 1931; H.R. 1931 referred to the Committee of the Whole House on the State of the Union.

REPORTED BILLS SEQUENTIALLY REFERRED

Under clause 5 of rule X, bills and reports were delivered to the Clerk for printing, and bills referred as follows:

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 1711. A bill to authorize appropriations for the Nuclear Regulatory Commission for fiscal year 1986 and fiscal year 1987; with amendments; referred to the Committee on Energy and Commerce for a period ending not later than June 28, 1985 for consideration of such provisions of the bill and amendments as fall within that committee's jurisdiction pursuant to clause 1(h), rule XI (Rept. No. 99-93, Pt. I). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DUNCAN:

H.R. 2474. A bill to continue until the close of September 30, 1988, the existing suspension of duties on color couplers and coupler intermediates used in the manufacture of photographic sensitized material; to the Committee on Ways and Means.

By Mr. ROSTENKOWSKI (for himself, Mr. PICKLE, Mr. RANGEL, Mr. STARK, Mr. JONES of Oklahoma, Mr. JACOBS, Mr. FORD of Tennessee, Mr. JENKINS, Mr. HEFTTEL of Hawaii, Mr. FOWLER, Mr. GUARINI, Mr. MATSUI, Mr. ANTHONY, Mr. FLIPPO, Mr. DORGAN of North Dakota, Mrs. KENNELLY, Mr. COYNE, Mr. DUNCAN, Mr. VANDER JAGT, Mr. FRENZEL, Mr. GRADISON, Mr. MOORE, Mr. THOMAS of California, Mr. DAUB, Mr. GREGG, and Mr. DASCHLE):

H.R. 2475. A bill to amend the Internal Revenue Code of 1954 to simplify the imputed interest rules of sections 1274 and 483, and for other purposes; to the Committee on Ways and Means.

By Mr. PICKLE:

H.R. 2476. A bill to amend the Internal Revenue Code of 1954 relating to the tax treatment of acquisition junk bonds and greenmail, and for other purposes; to the Committee on Ways and Means.

By Mrs. KENNELLY:

H.R. 2477. A bill to amend the Internal Revenue Code of 1954 to provide that the zero bracket amount for heads of households shall be the same as the zero bracket amount for joint returns and surviving spouses; to the Committee on Ways and Means.

By Mr. DE LUGO:

H.R. 2478. A bill to amend the Revised Organic Act of the Virgin Islands, to amend the Covenant to Establish a Commonwealth of the Northern Mariana Islands, to provide for the governance of the insular areas of the United States, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. BATES (for himself, Mr. WIRTH, Mr. LELAND, Mr. COATS, Mr. BRYANT, Mrs. JOHNSON, Mr. DENNY SMITH, Mr. DANNEMEYER, Mr. MOORHEAD, Mr. TAUZIN, Mr. NIELSON of Utah, Mr. SLATTERY, Mr. MARKEY, and Mr. WAXMAN):

H.R. 2479. A bill to amend the Communications Act of 1934 to prohibit willful or malicious interference to radio communications, and for other purposes; to the Committee on Energy and Commerce.

By Mr. RANGEL:

H.R. 2480. A bill to amend the Internal Revenue Code of 1954 to increase the earned income credit, to provide that needs based government benefits shall be disregarded in determining dependency status, and for other purposes; to the Committee on Ways and Means.

By Mr. BEDELL:

H.R. 2481. A bill to amend the Higher Education Act of 1965 to provide fair treatment, for purposes of computing family contributions in college student assistance, for students affected by the sale or forfeiture of family farm assets; to the Committee on Education and Labor.

By Mr. BEDELL (for himself and Mr. ROBERTS):

H.R. 2482. A bill to amend the Federal Insecticide, Fungicide, and Rodenticide Act, and for other purposes; to the Committee on Agriculture.

By Mr. BENNETT:

H.R. 2483. A bill authorizing the Secretary of the Interior to preserve the ecology of the Nassau River valley marshlands in the State of Florida, to enhance the protection and interpretation of important historic and prehistoric sites in the vicinity of the Nassau, St. Mary's and St. Johns River valleys, Florida, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. BERMAN (for himself and Mr. Brown of Colorado):

H.R. 2484. A bill to amend title 28, United States Code, to exempt States from the statute of limitations applicable to quiet title actions against the United States; to the Committee on the Judiciary.

By Mr. BIAGGI:

H.R. 2485. A bill to provide for the equitable repayment of construction-differential subsidy; to the Committee on Merchant Marine and Fisheries.

By Mr. BILEY (for himself, Mr. DAN-NEMEYER, Mr. NIELSON of Utah, Mr. SMITH of New Jersey, and Mr. BOULTER):

H.R. 2486. A bill to amend the Public Health Service Act to extend title XX relating to adolescent pregnancy; to the Committee on Energy and Commerce.

By Mr. BOSCO:

H.R. 2487. A bill to provide for the restoration of the fish and wildlife in the Klamath and Trinity River basin areas, and for other purposes; jointly, to the Committees on Merchant Marine and Fisheries and Interior and Insular Affairs.

By Mr. BROYHILL (by request):

H.R. 2488. A bill to encourage the standardization of nuclear powerplants, to improve the nuclear licensing and regulatory process, to amend the Atomic Energy Act of 1954, and for other purposes; jointly, to the Committees on Energy and Commerce and Interior and Insular Affairs.

By Mr. CLAY (for himself and Mr. Lowry of Washington):

H.R. 2489. A bill to amend the National Labor Relations Act to clarify the meaning of the term "guard" for the purpose of permitting certain labor organizations to be certified by the National Labor Relations Board as representatives of employees other than plant guards; to the Committee on Education and Labor.

By Mr. DAVIS:

H.R. 2490. A bill to specifically permit trapping in the Pictured Rocks National Lakeshore, subject to such reasonable rules and regulations as may be prescribed; to the Committee on Interior and Insular Affairs.

By Mr. DOWNEY of New York:

H.R. 2491. A bill to eliminate discrimination with regard to mental illness under Medicare; jointly, to the Committee on Ways and Means and Energy and Commerce.

By Mr. DUNCAN:

H.R. 2492. A bill to amend the Internal Revenue Code of 1954 to provide that an activity relating to the free distribution of low cost articles by certain nonprofit organizations and veterans' organizations in connection with the solicitation of charitable contributions does not constitute an unrelated trade or business of such organization; to the Committee on Ways and Means.

By Mr. HOWARD (for himself, Mr. ROE, Mr. SNYDER, and Mr. STANGELAND):

H.R. 2493. A bill to amend the Federal Water Pollution Control Act to authorize the appropriation of funds for fiscal year 1986; to the Committee on Public Works and Transportation.

H.R. 2494. A bill to authorize the appropriation of funds for fiscal year 1986 for construction, operation, and maintenance of water resources development projects under the jurisdiction of the Secretary of the Army, acting through the Chief of Engineers; to the Committee on Public Works and Transportation.

By Mr. HOWARD (for himself, Mr. ROE, Mr. MOLINARI, Mr. FLORIO, Mr. GALLO, and Mr. COURTER):

H.R. 2495. A bill to prohibit the obligation of Federal highway funds for construction of certain interstate routes in landfill, to limit the location of alternatives to those projects generally to existing land, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. JENKINS (for himself and Mr. MITCHELL):

H.R. 2496. A bill to amend the Internal Revenue Code of 1954 to provide tax incentives to encourage entrepreneurial activity; to the Committee on Ways and Means.

By Mr. JONES of North Carolina (for himself, Ms. MIKULSKI, Mr. BIAGGI, Mr. LENT, Mr. BENNETT, Mr. BREAUX, Mr. DAVIS, Mr. STUDDS, Mr. HUGHES, Mr. LOWRY of Washington, Mr. HUTTO, Mr. TAUZIN, Mr. CARPER, Mr. BOSCO, Mr. TALLON, and Mr. MANTON):

H.R. 2497. A bill to amend the Coastal Zone Management Act to establish a planning and management process for estuaries of national significance; to the Committee on Merchant Marine and Fisheries.

By Mr. LUJAN:

H.R. 2498. A bill to amend the Internal Revenue Code of 1954 to extend the residential energy credit with respect to solar renewable energy source expenditures and to provide a credit for the production and sale of alternate energy; to the Committee on Ways and Means.

By Mr. NIELSON of Utah:

H.R. 2499. A bill to modify the boundary of the Uinta National Forest, UT, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. OXLEY (for himself, Mr. TAUZIN, Mr. BROYHILL, and Mr. NIELSON of Utah):

H.R. 2500. A bill to amend the Communications Act of 1934 to improve the method of funding for public broadcasting, and for other purposes; to the Committee on Energy and Commerce.

By Mr. REGULA (for himself and Mr. TAUKE):

H.R. 2501. A bill to reform reimbursement under Medicare for medical education and to create a direct grant program to qualifying institutions for graduate medical education; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. SCHULZE:

H.R. 2502. A bill to provide for the retirement of all U.S. notes of the denomination of \$100 and their replacement with new notes in such denomination; to the Committee on Banking, Finance and Urban Affairs.

By Mrs. SMITH of Nebraska:

H.R. 2503. A bill to amend the Reclamation Project Authorization Act of 1972 to authorize an increase in the appropriation for the North Loup Division, Pick-Sloan Missouri Basin Program, Nebraska; to the Committee on Interior and Insular Affairs.

By Mr. FRANK:

H.R. 2504. A bill to amend title XVIII of the Social Security Act to provide for direct medicare payment for services of registered nurse anesthetists; jointly, to the Commit-

tees on Energy and Commerce and Ways and Means.

By Mr. BROWN of California (for himself and Mr. KEMP):

H.J. Res. 287. Joint resolution to designate October 1985 as "Learning Disabilities Awareness Month", to the Committee on Post Office and Civil Service.

By Mr. PENNY (for himself, Mr. PORTER, Mr. JONES of Oklahoma, Mr. COOPER, Mr. KOLBE, Mr. BARTON of Texas, Mr. STALLINGS, and Mr. NIELSON of Utah):

H. Con. Res. 147. Concurrent resolution to provide for an across-the-board freeze of new budget authority, by major functional category, for fiscal year 1986; to the Committee on Rules.

By Mr. DE LA GARZA (for himself and Mr. MADIGAN):

H. Res. 170. Resolution to recognize the centennial anniversary of the Holstein-Friesian Association of America; to the Committee on Post Office and Civil Service.

By Mr. EDWARDS of California (for himself, Mrs. SCHROEDER, Mr. MINETA, and Mr. SEIBERLING):

H. Res. 171. Resolution requesting the President to provide to the House of Representatives documents and factual information in his possession or under his control relating to certain counterterrorist units which received covert training or other support from the United States; to the Permanent Select Committee on Intelligence.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. COBEY:

H.R. 2505. A bill for the relief of Kenneth David Franklin; to the Committee on the Judiciary.

By Mr. LENT:

H.R. 2506. A bill to provide for waiver of the requirement that proof of actual use be furnished within 3 years after the date an article is entered, and for reliquidation of certain entries of tubular tin products; to the Committee on Ways and Means.

By Mr. PANETTA:

H.R. 2507. A bill for the relief of Thomas J. Scanlon; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 6: Mr. PENNY.

H.R. 7: Mr. MOLLOHAN, Mr. PENNY, and Mr. RICHARDSON.

H.R. 10: Mr. NOWAK, Mr. HAMMERSCHMIDT, Mr. HOWARD, Mr. McDADE, Mr. WHITTEN, Mr. GINGRICH, Mr. APPELEGATE, Mrs. JOHNSON, Mr. TOWNS, Mr. BOEHLERT, Mr. VISLOSKY, Mr. GALLO, Mr. BORSKI, Mrs. BENTLEY, Mr. KOLTER, Mr. STANGELAND, Mr. PERKINS, Mr. McEWEN, Mr. ANDERSON, Mr. PACKARD, Mr. WISE, Mr. JEFFORDS, Mr. ROE, Mr. FISH, Mr. MINETA, Mr. RIDGE, Mr. EDGAR, Mr. WALGREN, Mr. YOUNG of Missouri, Mr. GEKAS, Mr. RAHALL, Mr. DE LUGO, Mr. SAVAGE, Mr. SUNIA, Mr. BOSCO, Mr. ANDREWS, Mr. ROWLAND of Georgia, Mr. GRAY of Illinois, Mr. TRAFICANT, Mr. FLIPPO, Mr. PRICE, Mr. ADABBO, Mr. ANNUNZIO, Mr. BARNES, Mr. BEVILL, Mrs. BOGGS, Mr. BONER of Tennessee.

see, Mr. BONIOR of Michigan, Mr. BONKER, Mr. BOUCHER, Mrs. BURTON of California, Mrs. BYRON, Mr. CARR, Mr. CHAPPELL, Mr. CLAY, Mr. COELHO, Mrs. COLLINS, Mr. CONYERS, Mr. COOPER, Mr. COYNE, Mr. DASCHLE, Mr. DE LA GARZA, Mr. DELLUMS, Mr. DIXON, Mr. DONNELLY, Mr. DOWDY of Mississippi, Mr. DWYER of New Jersey, Mr. DYMALLY, Mr. EVANS of Illinois, Mr. FAUNTROY, Mr. FOGLIETTA, Mr. FORD of Tennessee, Mr. FRANK, Mr. FUSTER, Mr. FUQUA, Mr. GUARINI, Mr. HEFNER, Mr. HUBBARD, Mr. HUGHES, Mr. JENKINS, Mr. JONES of North Carolina, Mr. KANJORSKI, Mr. KILDEE, Mr. LANTOS, Mr. LEATH of Texas, Mr. LEHMAN of Florida, Mr. LEHMAN of California, Mr. LIPINSKI, Mr. LOWRY of Washington, Mrs. LLOYD, Mr. LUNDINE, Mr. MARTINEZ, Mr. MATSUI, Mr. MAVROULES, Mr. MOLLOHAN, Mr. MORRISON of Washington, Mr. MURPHY, Mr. MURTHA, Mr. NATCHER, Mr. OWENS, Mr. RANGEL, Mr. ROSE, Mr. SABO, Mr. SEIBERLING, Mr. SHELBY, Mr. SISISKY, Mr. STAGGERS, Mr. STOKES, Mr. STUDDS, Mr. SYNAR, Mr. TAUKE, Mr. THOMAS of Georgia, Mr. VENTO, Mr. WATKINS, Mr. WRIGHT, Mrs. KENNELLY, Mr. SHUSTER, Mr. BARNARD, Mr. TORRES, Mr. FORD of Michigan, Mr. WHITLEY, Mr. ERDREICH, Mr. VOLKMER, Mr. MOAKLEY, Mr. MOODY, Mr. GARCIA, Mr. WILLIAMS, Mr. WAXMAN, Mr. FLORIO, Mr. HORTON, Ms. OAKAR, Mr. YATRON, Mr. AKAKA, Mr. LELAND, Mr. ORTIZ, Mr. PANETTA, Mr. TALLON, Mr. EDWARDS of California, Mr. DICKS, Mr. RITTER, Mr. ROGERS, Ms. KAPTUR, Mr. VALENTINE, Mr. MARKEY, Mr. DARDEN, Mr. MCCLOSKEY, Mr. RICHARDSON, Mr. BROOKS, Mr. GONZALEZ, Mr. SIKORSKI, Mr. BEILEN-SON, Mr. WOLPE, Mr. WEAVER, Mr. ECKART of Ohio, Mr. MITCHELL, Mr. DUNCAN, Mr. LAFALCE, Mr. ACKERMAN, Mr. BIAGGI, Mr. ATKINS, Mrs. LONG, Mr. HAWKINS, and Mr. STRATTON.

H.R. 36: Mr. FEIGHAN.

H.R. 281: Mr. ACKERMAN, Mr. BARNES, Mr. MCDADE, Mr. MOAKLEY, Mr. LEHMAN of California, Mr. WAXMAN, and Mr. DOWNEY of New York.

H.R. 370: Mr. WILSON, Mrs. COLLINS, Mr. WHEAT, Mr. BARNES, Mr. FAUNTROY, Mr. ROE, Mr. LELAND, Ms. KAPTUR, Mr. MITCHELL, and Mr. CLINGER.

H.R. 505: Mr. MONTGOMERY, Mr. HAMMER-SCHMIDT, Mr. EDWARDS of California, Mr. WYLIE, Mr. SAM B. HALL, JR., Mr. HILLIS, Mr. APPELATE, Mr. SOLOMON, Mr. SHELBY, Mr. McEWEN, Mr. MICA, Mr. SMITH of New Jersey, Mr. DASCHLE, Mr. BURTON of Indiana, Mr. DOWDY of Mississippi, Mr. SUNDQUIST, Ms. KAPTUR, Mr. BILIRAKIS, Mr. MOLLOHAN, Mrs. JOHNSON, Mr. PENNY, Mr. MOLINARI, Mr. STAGGERS, Mr. RIDGE, Mr. ROWLAND of Georgia, Mr. HENDON, Mr. BRYANT, Mr. ROWLAND of Connecticut, Mr. FLORIO, Mr. GRAY of Illinois, Mr. KANJORSKI, Mr. ROBINSON, Mr. HEFNER, Mr. BONER of Tennessee, Mr. RICHARDSON, Mr. COELHO, Mr. NICHOLS, and Mr. LEHMAN of Florida.

H.R. 555: Mr. BARTLETT and Mr. DANIEL.

H.R. 598: Mr. DELAY, Mr. FEIGHAN, Mr. FAZIO, and Mr. ROYBAL.

H.R. 604: Mr. BIAGGI and Mr. MICHEL.

H.R. 650: Mr. HATCHER.

H.R. 695: Mr. GROTEBERG.

H.R. 747: Mr. DE LA GARZA.

H.R. 822: Mr. JACOBS, Mr. MITCHELL, and Mr. MANTON.

H.R. 864: Mr. FEIGHAN, Mr. FISH, Ms. OAKAR, and Mr. STOKES.

H.R. 887: Mr. JEFFORDS.

H.R. 927: Mr. JEFFORDS, Mr. McHUGH, Mr. MORRISON of Connecticut, and Mr. GREEN.

H.R. 1017: Mr. MANTON.

H.R. 1019: Mr. LENT.

H.R. 1123: Mr. LUJAN, Mr. SHELBY, Mr. CAMPBELL, Mr. WALKER, Mr. HAMMER-SCHMIDT, Mr. QUILLEN, Mr. LOTT, Mr. GRADISON, Mr. RINALDO, Mr. COBLE, Mr. PARRIS, Mr. GALLO, Mr. MICHEL, and Mr. ORTIZ.

H.R. 1140: Mr. JONES of Oklahoma.

H.R. 1163: Mr. EDWARDS of Oklahoma and Mr. ARMEY.

H.R. 1197: Mr. ACKERMAN and Mrs. BENTLEY.

H.R. 1207: Mr. WEAVER, Mr. WYDEN, Mr. SWIFT, Mr. TALLON, Mr. DYMALLY, Mr. KOSTMAYER, Mr. CARPER, Mr. LUNDINE, and Mr. McHUGH.

H.R. 1219: Mr. MURPHY and Mr. HILLIS.

H.R. 1272: Mr. WOLF, Mr. ACKERMAN, Mr. MYERS of Indiana, Mr. DARDEN, Mr. BONIOR of Michigan, Mr. BEILENSEN, and Mr. UDALL.

H.R. 1287: Mr. WOLPE, Mr. LEHMAN of California, Mr. MORRISON of Connecticut, and Mr. WEISS.

H.R. 1294: Mr. MORRISON of Connecticut, Mr. FAZIO, Mr. MITCHELL, Mr. McEWEN, and Mr. CROCKETT.

H.R. 1316: Mr. CLINGER, Mr. HEFTTEL of Hawaii, and Mr. SKELTON.

H.R. 1379: Mr. MOLLOHAN.

H.R. 1392: Mr. CRANE.

H.R. 1405: Mr. BRYANT.

H.R. 1408: Mr. EDWARDS of California, Mr. HILLIS, Mr. SAM B. HALL, JR., Mr. SMITH of New Jersey, Mr. APPELATE, Mr. BURTON of Indiana, Mr. SHELBY, Mr. SUNDQUIST, Mr. MICA, Mr. BILIRAKIS, Mr. DOWDY of Mississippi, Mrs. JOHNSON, Mr. MOLLOHAN, Mr. RIDGE, Mr. PENNY, Mr. ROWLAND of Connecticut, Mr. ROWLAND of Georgia, Mr. KANJORSKI, and Mr. ROBINSON.

H.R. 1435: Mr. FAZIO, Mr. SHELBY, Mr. RICHARDSON, Mr. SLAUGHTER, Mr. BARNARD, Mr. DURBIN, Mr. SISISKY, Mr. HOYER, Mr. HAMILTON, Mrs. BENTLEY, Mrs. LLOYD, and Mr. DOWDY of Mississippi.

H.R. 1460: Mr. AU COIN, Mr. BEDELL, Mr. BRYANT, Mr. DWYER of New Jersey, Mr. EARLY, Mr. FUQUA, Mr. GEJDENSON, Mr. GLICKMAN, Mr. HOWARD, Mr. JACOBS, Mrs. LLOYD, Mr. MAZZOLI, Mr. MOLLOHAN, Mr. NEAL, Mr. RAY, Mr. ROE, and Mr. SCHEUER.

H.R. 1482: Mr. REID.

H.R. 1511: Mr. HILLIS.

H.R. 1589: Mr. LAGOMARSINO, Mr. LENT, Mr. FAUNTROY, and Mr. MITCHELL.

H.R. 1615: Mr. TALLON, Mr. HATCHER, Mr. WILSON, Mr. FAZIO, Mr. CLINGER, Mr. DYSON, and Mr. ROBERTS.

H.R. 1650: Ms. SNOWE, Mr. SHAW, Mr. DURBIN, and Mr. MARTINEZ.

H.R. 1704: Mr. FAZIO and Mr. FAUNTROY.

H.R. 1722: Mr. CLINGER.

H.R. 1730: Mr. LEACH of Iowa, Mr. TALLON, Mr. LEWIS of Florida, Mr. KEMP, Ms. CRANE, Mr. CHAPPELL, and Mr. SHUMWAY.

H.R. 1768: Mr. ST GERMAIN, Mr. DUNCAN, Mr. DORNAN of California, Mr. DANIEL, Mr. FAUNTROY, Mr. KOSTMAYER, Mr. HAMILTON, Ms. SNOWE, Mr. LANTOS, and Mr. CROCKETT.

H.R. 1769: Mr. BOEHLERT, Mr. LOTT, Mr. SMITH of New Hampshire, Mr. GUNDERSON, and Mr. ROWLAND of Georgia.

H.R. 1776: Mr. MOLLOHAN.

H.R. 1811: Mr. DREIER of California, Mr. SCHUETTE, Mr. KOLBE, Mr. ROBERTS, and Mr. SHUMWAY.

H.R. 1819: Mr. CRAIG.

H.R. 1840: Mr. LOTT, Mr. TALLON, Mr. ROWLAND of Georgia, and Mr. WEBER.

H.R. 1907: Mrs. BENTLEY.

H.R. 1910: Mr. RICHARDSON and Mr. MARTINEZ.

H.R. 1946: Mr. BADHAM, Mrs. LLOYD, and Mr. MONSON.

H.R. 1969: Mrs. COLLINS, Mr. LEVINE of California, Mr. YATES, Mr. WILSON, and Mr. CROCKETT.

H.R. 1970: Mr. OWENS and Mr. SYNAR.

H.R. 1992: Mr. FOGLIETTA and Mr. FRANK.

H.R. 2015: Mr. BEVILL, Mr. KINDNESS, Ms. MIKULSKI, Ms. KAPTUR, and Mr. ECKART of Ohio.

H.R. 2024: Mr. FAUNTROY and Mr. DONNELLY.

H.R. 2034: Mr. WAXMAN.

H.R. 2111: Mr. CONYERS, Mr. DYMALLY, and Mr. OWENS.

H.R. 2116: Ms. SNOWE.

H.R. 2137: Ms. KAPTUR, Mr. MARTINEZ, Mr. HILLIS, and Mr. WATKINS.

H.R. 2172: Mr. MURPHY, Mr. HEFTTEL of Hawaii, and Mr. ANDREWS.

H.R. 2190: Mr. MRAZEK, Mr. ROSE, Mr. ECKART of Ohio, Mr. SMITH of Florida, Mr. FAZIO, Mr. MITCHELL, and Mr. RAHALL.

H.R. 2211: Mr. NICHOLS, Mr. MARTINEZ, Mrs. LLOYD, Mr. ECKART of Ohio, Mr. DERRICK, and Mr. SLATTERY.

H.R. 2235: Mr. LEVIN of Michigan, Mr. MARTINEZ, Mr. RANGEL, and Mr. WILLIAMS.

H.R. 2262: Mr. COUGHLIN, Mr. DASCHLE, Mr. WORTLEY, Ms. MIKULSKI, Ms. KAPTUR, Mr. RICHARDSON, Mr. LEHMAN of California, Mr. DAUB, Mr. SMITH of Florida, Mr. DYMALLY, and Mr. ECKHART of Ohio.

H.R. 2277: Mr. LOTT and Mr. STANGELAND.

H.R. 2280: Mr. BONKER, Mr. FRANK, Mr. LEHMAN of Florida, Mr. HEFTTEL of Hawaii, Mr. HUTTO, Mr. BORSKI, Mr. STARK, Mr. RAHALL, Mr. ROE, Mrs. BENTLEY, Mr. MITCHELL, Mr. SCHUMER, Ms. KAPTUR, Mr. CROCKETT, Mr. MURPHY, Mr. FROST, Mr. FLORIO, Mr. TOWNS, Mr. FAZIO, Mrs. COLLINS, Ms. MIKULSKI, Mr. HORTON, and Mr. MRAZEK.

H.R. 2301: Mr. SLATTERY.

H.R. 2343: Mr. EDWARDS of California, Mr. HILLIS, Mr. SHELBY, Mr. McEWEN, Mr. DASCHLE, Mr. SMITH of New Jersey, Ms. KAPTUR, Mr. SUNDQUIST, Mr. MOLLOHAN, Mr. BILIRAKIS, Mr. PENNY, Mrs. JOHNSON, Mr. STAGGERS, Mr. RIDGE, Mr. ROWLAND of Georgia, Mr. HENDON, Mr. BRYANT, Mr. ROWLAND of Connecticut, Mr. FLORIO, Mr. GRAY of Illinois, Mr. KANJORSKI, Mr. HEFNER, Mr. BONER of Tennessee, and Mr. RICHARDSON.

H.R. 2344: Mr. EDWARDS of California, Mr. WYLIE, Mr. SAM B. HALL, JR., Mr. HILLIS, Mr. MICA, Mr. SOLOMON, Mr. DASCHLE, Mr. McEWEN, Mr. DOWDY of Mississippi, Mr. BURTON of Indiana, Mr. EVANS of Illinois, Mrs. JOHNSON, Ms. KAPTUR, Mr. MOLINARI, Mr. PENNY, Mr. RIDGE, Mr. STAGGERS, Mr. ROWLAND of Georgia, Mr. HENDON, Mr. GRAY of Illinois, Mr. KANJORSKI, Mr. ROBINSON, Mr. HEFNER, Mr. BONER of Tennessee, Mr. RICHARDSON, Mr. COELHO, and Mr. BUS-TAMANTE.

H.R. 2361: Mr. WEISS, Mr. KOSTMAYER, Mr. ACKERMAN, Mr. TOWNS, Mr. WHEAT, Mr. OWENS, Mr. HALL of Ohio, Mr. LEHMAN of Florida, Mr. MOODY, Mrs. COLLINS, and Mr. CROCKETT.

H.R. 2382: Mr. SKEEN, Mr. SHUMWAY, Mr. STANGELAND, and Mr. LOTT.

H.R. 2397: Mr. MONTGOMERY, Mr. SAVAGE, Mr. FOWLER, Mr. KANJORSKI, Mrs. COLLINS, Mr. TORRES, Mr. BEILENSEN, Mrs. LLOYD, Mr. LEVIN of Michigan, Mr. HAMILTON, Mr. KASTENMEIER, Mr. MAVROULES, Mr. GEJDENSON, Mrs. SCHROEDER, Mr. SMITH of Florida, Mr. NOWAK, Mr. HUGHES, Mr. EDGAR, Mr. MILLER of California, Mr. BEVILL, Mr. COUGHLIN, Mr. SKELTON, Mr. BOUCHER, Mr. AU COIN, Mr. DICKS, Mr. BEREUTER, and Mr. CONYERS.

H.J. Res. 64: Mr. BEDELL, Mr. COELHO, Mr. CONYERS, Mr. DASCHLE, Mr. DELAY, Mr. DIOGUARDI, Mr. DONNELLY, Mr. ERDREICH, Mr. FAUNTROY, Mr. HAMMERSCHMIDT, Mr. KEMP, Mr. LEVIN of Michigan, Mr. MOLLOHAN, Mr. MOORE, Mr. MOORHEAD, Mr. NOWAK, Mr.

ORTIZ, Mr. OWENS, Mr. ROBERTS, Mr. SCHAEFER, Mr. SHAW, Mr. SHELBY, Mr. SIKORSKI, Ms. SNOWE, Mr. SNYDER, Mr. SOLARZ, Mr. SPENCE, Mr. STALLINGS, Mr. WOLPE, Mr. BLAZ, Mr. BREAUX, Mr. BROYHILL, Mr. CAMPBELL, Mr. CRANE, Mr. DORNAN of California, Mr. FRENZEL, Mr. MARKEY, Mr. MICA, Mr. MURTHA, Mr. SAXTON, Mr. ROGERS, Mr. COATS, Mr. GEJDENSON, Mr. CROCKETT, Mr. GRAY of Pennsylvania, Mr. McKERNAN, Mr. WHITLEY, Mr. MORRISON of Connecticut, Mr. NEAL, and Mr. RICHARDSON.

H.J. Res. 79: Mrs. BOGGS, Mr. CLINGER, Mr. CHANDLER, Mr. CHENEY, Mr. HUTTO, Mr. MACKEY, Mr. LEWIS of Florida, Mr. HOYER, Mr. HEFNER, and Mr. FLORIO.

H.J. Res. 106: Mrs. KENNELLY, Mr. ECKERT of New York, Mr. BONER of Tennessee, Mr. CHENEY, Mrs. BENTLEY, Mr. GEKAS, Mr. GARCIA, Mr. WOLF, Mr. PORTER, Mr. COELHO, Mr. DICKINSON, Mr. DOWDY of Mississippi, Mr. ERDREICH, Mr. RALPH M. HALL, Mr. HAMMERSCHMIDT, Mr. HARTNETT, Mr. LATTI, Mr. PEPPER, Mr. SCHEUER, Mr. BROWN of Colorado, Mr. MARTIN of New York, Mr. OBERSTAR, Mr. CARR, Mr. GEJDENSON, Mr. WEISS, Mrs. BOXER, Mr. BEVILL, Mr. RICHARDSON, Mr. GREGG, Mr. BURTON of Indiana, Mr. STOKES, Mr. COATS, Mr. YOUNG of Alaska, Mr. REGULA, Mr. ACKERMAN, Mr. MOLINARI, Mr. McMILLAN, Mr. SHUMWAY, Mr. ORTIZ, and Mr. DYSON.

H.J. Res. 182: Mr. VOLKMER, Mr. STANGELAND, Mr. LUNDINE, Mr. FROST, and Mr. FAUNTROY.

H.J. Res. 197: Mr. RICHARDSON, Mr. GREEN, Mrs. HOLT, Mr. DEWINE, Mr. VENTO, Mr. EDWARDS of Oklahoma, Mr. BOLAND, Mr. MURPHY, Mr. SAVAGE, Mr. JACOBS, Mr. HORTON, Mr. COYNE, Mr. CHAPPIE, Mr. OLIN, Mr. TOWNS, Mr. MARKEY, Mr. GINGRICH, Mr. KOLTER, Ms. OAKAR, Mr. EARLY, Mr. ORTIZ, Mr. GRAY of Illinois, Mr. RANGEL, Mr. STANGELAND, Mr. THOMAS of Georgia, Mr. DAUB, Mr. MAZZOLI, Mr. HOWARD, Mr. MARTINEZ, Mr. RAHALL, Mr. HOYER, Mr. WORTLEY, Mr. TORRES, Mr. BRYANT, Mrs. VUCANOVICH, Mr. YOUNG of Florida, Mr. DYSON, Mr. QUILLIN, Mr. ST GERMAIN, Mr. COOPER, Mr. FRENZEL, Mr. SNYDER, Mr. FRANKLIN, Mrs. ROUKEMA, Mr. MOORE, Mr. TAUZIN, Mr. SUNDQUIST, Mr. JEFFORDS, Mr. HAMMERSCHMIDT, Mr. MONTGOMERY, Mr. LOTT, Mr. BOSCO, Mr. MOAKLEY, Mrs. LLOYD, Mr. SKELTON, and Mr. JONES of Tennessee.

H.J. Res. 243: Mr. BATEMAN, Mr. WAXMAN, Mr. MURPHY, and Mr. YOUNG of Missouri.

H.J. Res. 245: Mr. BADHAM, Mr. DAUB, Mr. FAUNTROY, Mr. HORTON, Ms. KAPTRU, and Mrs. LLOYD.

H.J. Res. 267: Mr. COURTER, Mr. BARTON of Texas, Mr. KINDNESS, and Mr. ARMEY.

H.J. Res. 285: Mr. KANJORSKI, Mr. BLILEY, Mr. KLECZKA, Mr. HALL of Ohio, Mr. CARPER, Mr. LOEFFLER, Mr. BROOKS, Mr. FRENZEL, Mr. DURBIN, Mr. BOEHLERT, Mr. HILER, Mr. CHENEY, Mr. SKEEN, and Mr. COATS.

H. Con. Res. 37: Mr. BEREUTER, Mr. CHAPPELL, Mr. FEIGHAN, Mr. LOTT, Mr. LOEFFLER, and Mr. GONZALEZ.

H. Con. Res. 39: Mrs. BURTON of California, Mr. MARKEY, Mr. KOLTER, Mr. FOGLETTA, Mr. SUNIA, Mr. FAUNTROY, Mr. SMITH of Florida, Mr. ROSE, Mr. LELAND, Mr. YOUNG of Florida, Mr. FLORIO, Mr. SAVAGE, Mr. HOWARD, Mr. SCHUMER, Mrs. BENTLEY, Mr. ORTIZ, Mr. MARTINEZ, Mr. LANTOS, Mr. LEHMAN of Florida, Mr. WHEAT, Mr. SYNAR, Mr. WALGREN, Mr. SHELBY, Mr. FORD of Michigan, Mr. RICHARDSON, and Mr. CLINGER.

H. Con. Res. 41: Mr. CLAY, Mr. SHUSTER, Mr. HAMILTON, Mr. ROGERS, Mr. DOWDY of Mississippi, Mr. ARMEY, Mr. FLORIO, Mr. BIAGGI, Mr. ROTH, and Mr. EDGAR.

H. Con. Res. 69: Mr. YATRON, Mr. LEHMAN of California, Mr. CRAIG, Mr. MADIGAN, Mr. JENKINS, Mr. TALLON, Mr. DYSON, Mrs. MEYERS of Kansas, Mr. LOEFFLER, Mr. BEVILL, Mr. DONNELLY, Mr. GUARINI, Mr. ROGERS, and Mr. LAGOMARSINO.

H. Con. Res. 83: Mrs. BENTLEY and Mr. ANDREWS.

H. Con. Res. 117: Mr. THOMAS of Georgia, Mr. FISH, Mr. YOUNG of Florida, and Mr. PORTER.

H. Con. Res. 121: Mr. SIKORSKI and Mr. WOLPE.

H. Con. Res. 133: Mr. HOWARD and Mr. FLORIO.

H. Res. 60: Mr. BLILEY.

H. Res. 131: Mr. ROBINSON, Mrs. JOHNSON, Mr. BUSTAMANTE, Mr. NIELSON of Utah, and Mr. OBERSTAR.

H. Res. 166: Mr. DIXON, Mr. ZSCHAU, Mr. BARNES, Mr. WOLPE, and Mr. ACKERMAN.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 778: Mr. MILLER of Ohio.

H.R. 1552: Mr. DENNY SMITH.

H.R. 1626: Mr. ST GERMAIN.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 1872

By Mr. HERTEL of Michigan:

—Insert the following at the appropriate place in the General Provisions title of the bill:

SEC. —. DEFENSE ENTERPRISE ZONE TEST PROGRAM.

(a) IN GENERAL.—For the purpose of enhancing diversity within the defense industrial base and increasing the number of contractors available for defense programs, the Secretary of Defense (hereinafter in this section referred to as the "Secretary") shall conduct a program during fiscal year 1986 to evaluate the effects of exempting certain contracts of the Defense Logistics Agency of the Department of Defense from the provisions of section 2392 of title 10, United States Code. Under such program, the Secretary may exempt from the provisions of such section any contract of the Defense Logistics Agency if the contract is to be awarded to an individual or firm in an area identified under subsection (b) as a test zone.

(b) CRITERIA.—To carry out the purpose of this section, the Secretary may identify test zones using any or all of the following criteria:

(1) Eligibility criteria—

(A) that is used by the Secretary of Labor to identify an area as a Labor Surplus Area;

(B) that is used to identify an area as eligible for assistance under the Urban Development Action Grant Program established under section 119 of the Housing and Community Development Act of 1974;

(C) that is used to identify an area as eligible for assistance through the Economic Development Administration; or

(D) that would identify any economically disadvantaged area as an area in which there is potential to develop a new defense industrial base, as determined by the Secretary.

(2) Criteria developed by the Secretary for the purpose of identifying economically undiversified areas in which the existing industrial base can be diversified, thus fostering competition in defense procurement and eventual procurement price reductions.

(c) PRICE ENHANCEMENTS.—The Secretary may authorize special price enhancements or incentives to be paid under a contract described in subsection (a) in a case in which there is a reasonable expectation that such enhancements or incentives will promote long term competition in defense procurement and eventual procurement price reduction.

(d) REPORT.—Not later than one year after implementation of the program carried out under this section, the Secretary shall transmit to Congress a report on the implementation and results of such program. The report shall include an accounting of the actions taken and an assessment of the degree to which such actions have met the goals of such program, especially—

(1) the diversification of the defense industrial base;

(2) the development of additional sources for defense procurement; and

(3) reductions in later procurements in the cost of items under contracts affected by this section.

—At the end of the bill add the following new section:

AUTHORITY OF INSPECTOR GENERAL OF DEPARTMENT OF DEFENSE WITH RESPECT TO CERTAIN CONTRACTS

SEC. —. Chapter 137 of title 10, United States Code, is amended by inserting after section 2312 the following new section:

"§ 2312a. Inspector General: authority with regard to contract payments

"(a) In the case of a contract of the Department of Defense with respect to which the Inspector General of the Department of Defense determines—

"(1) based upon audits of the Department of Defense, that there have been excessive charges to the United States by the contractor; and

"(2) that other remedies available to the United States by law and under the contract are insufficient to eliminate promptly waste, fraud, and abuse with respect to the contract;

the Inspector General may immediately suspend payments under the contract or revise the schedule for such payments in order to protect the interests of the United States.

"(b) The Secretary of Defense may, in the interest of national security, overrule any action of the Inspector General under subsection (a). Not later than 30 days after any action by the Secretary under this subsection, the Secretary shall submit a report to the Committees on Armed Services and Governmental Affairs of the Senate and the Committees on Armed Services and Government Operations of the House of Representatives describing the action of the Inspector General that is being overruled, the reason for the decision of the Secretary, and the actions being undertaken by the Secretary to eliminate waste, fraud, and abuse in connection with the contract concerned."

(b) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2312 the following new item:

"2312a. Inspector General: authority with regard to contract payments."